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Japan

Farm Delegation Opposes Simple Tariffication

OW3110122891 Tokyo KYODO in English 1206 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—The Japanese delegation to the Uruguay round of multinational farm trade talks in Geneva has expressed oppostion to the simple "tariffication" of nontariff trade barriers without the abolition of export subsidies, Agriculture, Forestry, and Fisheries Ministry officials said Thursday.

The officials said that Japan expressed the opposition during Wednesday's session of the talks with South Korea supporting Japan's stance. But there was strong resentment from the United States, Australia, and Argentina, which all insisted the talks should focus on the U.S.-initiated tariffication formula.

Japan fears that the tariffication of all nontariff barriers will eventually lead to the collapse of its policy to maintain self-sufficiency in rice, allowing no import of the grain.

Arthur Dunkel, director general of the General Agreement on Tariffs and Trade (GATT), also opposed the Japanese position, saying it is difficult to carry on negotiations without Japan's participation.

South Korea backed Japan, saying that the tariffication idea is only one option and that negotiations should not be carried out as if tariffication has been taken for granted.

Analysts say that an accord draft, expected to be worked out by Dunkel in November, could provide for a complete tariffication without exceptions, and that Japan is struggling to block such a move.

Miyazawa Hints at Concessions on Rice Imports

OW3110121791 Tokyo KYODO in English 1203 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Japan may have to make concessions on rice imports for the successful conclusion of the Uruguay round of multilateral trade talks, Japan's next prime minister Kiichi Miyazawa said Thursday.

He said in an interview with KYODO News Service that as newly elected president of the ruling Liberal Democratic Party he will appoint Shin Kanemaru to be the party's vice president.

Miyazawa will be the first party leader since Yasuhiro Nakasone to have a vice president. Subsequent LDP presidents—Noboru Takeshita, Sousuke Uno and Toshiki Kaifu—did not appoint vice presidents.

Kanemaru, chairman of the party's largest faction, supported Miyazawa as his faction's choice in Sunday's three-way race for the LDP presidency against Michio Watanabe and Hiroshi Mitsuzuka.

The appointment of Kanemaru was widely expected as Miyazawa was trying to consolidate party unity.

Miyazawa, who will succeed Prime Minister Toshiki Kaifu next week, said, "It is impossible for our country not to do our share in multilateral negotiations" when asked about the opening of the Japanese rice market. "It depends on how many concessions other countries make."

He told KYODO that a Tokyo declaration to be issued during U.S. President George Bush's visit to Japan in November will spell out shared principles.

Miyazawa also said Japan's partners are counting on its financial contributions as well as on its anticipated role in United Nations peacekeeping operations.

He indicated that his new government might float bonds to help finance public works.

Soviet Official Seeks Investment in Far East

OW3110131391 Tokyo KYODO in English 1221 GMT 31 Oct 91

[Text] Niigata, Oct. 31 KYODO—A Soviet Far East official called on Japan and other Western industrial nations Thursday to invest in a planned free economic zone in the region.

Valeriy Lozovoy, deputy governor of the Maritime Province in the Russian Republic, said in an interview with KYODO news service that the project could benefit Japan and Western investors because of the potentially fruitful mining resources and marine products in the area.

The project calls for the establishment of an economic free zone extending from the Soviet-North Korean border to Nakhodka, and including the giant naval port of Vladivostok, by linking them with highways.

Vladivostok has been closed to foreigners because of its strategic location as a military port, but the city will be opened to foreigners on January 1 next year. Nakhodka has already been designated as an economic free area.

The project, based on a blueprint drafted by the U.N. Industrial Development Organization (UNIDO), would also involve the European Bank for Reconstruction and Development (EBRD), as the region's governor, Vladimir Kuznetsov, has requested support from the London-based Development Bank for Eastern Europe and the Soviet Union, Lozovoy said.

According to Lozovoy, Nakhodka would serve as a base for transport and raw-material processing, while Vladivostok would be a base for high technology development with 13 research institutes now in operation.

UNIDO, a U.N. agency specializing in industrial development in developing countries, earlier worked out a plan for the Soviet Far East and urged the Russian Republic government to consolidate legal procedures to guarantee foreign enterprises the right to own assets and transfer profits out of the country.

Insurance Resumed for Trade With South Africa

OW3110092191 Tokyo KYODO in English 0817 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Japan will resume insurance coverage for Japanese trade with South Africa, following the lifting of economic sanctions on Pretoria earlier this month, a Ministry of International Trade and Industry official said Thursday.

The official said that the resumption will come "quickly" as trade ties between the two countries have improved since the sanctions were revoked on imports of gold coins and steel, direct investment and loans.

The decision will also affect direct investment in South Africa, he said.

The Japanese Government has officially maintained trade guarantees on bilateral trade and investment, but no medium to long term trade insurance was offered since a ban was slapped on Pretoria in 1969 to protest its apartheid policies.

Two-way trade has been on the decline since Japan became the top trading partner for South Africa in 1987, with 4.1 billion dollars in trade, and thus came under foreign criticism. Bilateral trade totaled 3.32 billion dollars last year.

Nepalese Prime Minister Arrives for 11-Day Visit

OW3110075291 Tokyo KYODO in English 0458 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Nepal wants to send workers to Japan to relieve its unemployment problem and facilitate the transfer of technology, former Nepalese Prime Minister Krisha Prasad Bhattarai said Thursday.

Foreign Ministry officials said Bhattarai, who arrived in Japan on Tuesday for an 11-day visit, made the request in a meeting with Foreign Minister Taro Nakayama.

Officials said Bhattarai explained that Nepal is now experiencing a worsening unemployment problem and said its gross domestic product (GDP) is not keeping pace with the rise in population.

He proposed that Japan accept contract laborers from Nepal on the scale of some 200 to 300 persons a year, with the Nepalese Government guaranteeing their return to Nepal after a designated period.

Bhattarai said such a scheme would not only relieve unemployment, but would facilitate the transfer of technical expertise to his country.

Officials said Nakayama replied that as the issue of accepting foreign workers in Japan is still under study within the government, Japan would consider the request "as a future issue."

Bhattarai now serves as acting president of the ruling Nepali Congress Party, Nepal's largest, which spearheaded the pro-democracy uprising last year which brought an end to King Birendra's authoritarian government.

Nakayama hailed Bhattarai's role in restoring democracy to Nepal, adding that the holding of general elections in May, the first multiparty elections in 32 years, ushered in "a new history" for Nepal.

He said that to ensure that democracy takes root in Nepal, it is necessary for the government to proceed with reforms and exert leadership.

Nakayama said Japan has extended Nepal cooperation aimed at promoting democratization and will continue to do so. He added that economic and technical cooperation will also be continued.

Bhattarai served as Nepal's interim prime minister for more than a year in the provisional government formed in April 1990, helping to implement a revision of the country's Constitution before the general elections.

LDP Council Confirms New Key Party Executives

OW3110072691 Tokyo KYODO in English 0608 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—The Executive Council of the ruling Liberal Democratic Party (LDP) formally approved three new key party officers Thursday following a report by the new party president Kiichi Miyazawa at a meeting of the council.

The newly confirmed party executives are, Tamisuke Watanuki from the Takeshita faction, who becomes LDP secretary general, Koko Sato of the Watanabe faction as chairman of the Executive Council, and Yoshiro Mori of the Mitsuzuka faction as chairman of the Policy Affairs Research Council.

A feud within the party broke out when the Takeshita faction, the largest in the LDP, demanded that Miyazawa exclude members of the Mitsuzuka faction from consideration for the posts. Miyazawa eventually persuaded the Takeshita faction to drop this demand in the interest of party unity.

Miyazawa told the council, "As the role of our country is expanding, I will unite all our efforts to tackle difficult situations."

Watanuki pledged to fulfill his duties as secretary general.

Outgoing Secretary General Keizo Obuchi asked the new party leadership to accomplish its responsibilities to the people in promoting political reforms and cooperation in United Nations peacekeeping operations.

Miyazawa will choose new cabinet members with the three key party officials prior to convening of an extraordinary Diet session beginning on Tuesday, party sources said.

Both houses of the Diet will hold a prime ministerial election on the opening day to pick a replacement for outgoing Prime Minister Toshiki Kaifu. Miyazawa is certain to be elected prime minister because of the LDP's majority in the lower house.

The three new key party officials held a joint press conference following the Executive Council meeting.

Watanuki said he will do his best to smoothly run the ruling party when he was asked about the row over moves to exclude members of the Mitsuzuka faction from key party posts. Watanuki said he does not know details of the dispute.

On political reform, he said he expects a consultative body made up of members of the ruling and opposition parties will promote talks on the reforms. He did not elaborate on the timing of the reforms.

Mori said that as relations among the United States and European countries are changing, Japan should not stand by and watch the ongoing Uruguay Round of multilateral trade talks. As an exporting nation, a spirit of comprehensive cooperation with the world is very important for Japan, he said.

He also indicated he is ready to take a flexible attitude on the issue of opening Japan's rice market.

Sato, asked about his involvement in the Lockheed Scandal of 1979, indirectly criticized the public prosecutors office, saying that he expects a "sound" public prosecutors and juridical system.

He said he deeply regrets that he had been suspected of taking bribes. Sato, 63, was convicted in 1986 of taking bribes from All Nippon Airways in the Lockheed scandal and was given a suspended two-year jail sentence.

Mori, asked about his involvement in the Recruit stocks for favors scandal, said he will do his best to realize political reforms.

As for the sharing out of cabinet posts, former Deputy Cabinet Chief Secretary Hideo Watanabe, of the faction led by Michio Watanabe, is likely to be named as post and telecommunications minister, party sources said. Faction leader Watanabe is expected to be made foreign minister.

Former Construction Minister Takeshi Noda, also of the Watanabe faction, is tipped as chief of the Economic Planning Agency, the sources said.

The Watanabe faction is also recommending former Defense Agency Chief Taku Yamazaki as new transport minister, the sources said.

Former Defense Agency Chief Koichi Kato of the Miyazawa faction is most likely to be named as chief cabinet secretary. Opposition to his nomination, however, has surface among members of the Miyazawa faction because of his links with former Deputy Prime Minister Shin Kanemaru, chief of the Takeshita faction, sources said.

Nakayama: Foreign Minister Needs More Freedom

OW3110112391 Tokyo KYODO in English 1051 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Outgoing Foreign Minister Taro Nakayama called Thursday for reforms that would allow future foreign ministers to more easily take leave of their Diet duties to perform vital diplomatic tasks.

"It has been my frank opinion that the Diet's granting of more time to the foreign minister to freely perform his activities would have immense influence on Japan's national interests," Nakayama told a press conference at the Japan National Press Club.

He noted foreign ministers of most other countries are not subject to such severe parliamentary restrictions as the Japanese foreign minister.

Nakayama said they can freely use special government aircraft to get together with foreign counterparts whenever the need arises.

The Japanese foreign minister, in contrast, must ask the speaker of the House of Representatives for special permission to be absent when the Diet is in session.

The main problem in the Diet's granting such permission is opposition parties may then not attend, thereby stalling Diet proceedings.

The prospect of reforming the system to give the foreign minister more time and mobility has been taken up in talks between the Foreign Ministry and private sector experts aimed at strengthening Japanese diplomacy.

Former Foreign Minister Tadashi Kuranari, when in office during the term of former Prime Minister Yasuhiro Nakasone, repeatedly called for a new cabinet post to set aside for a minister responsible for Diet questions where foreign policy is concerned.

Nakayama also told reporters a Tokyo declaration to be issued during U.S. President George Bush's visit here in November will address Japan-U.S. cooperation in the areas of drug abuse, the environment, disaster prevention, security, and economics.

Bank of Japan Chief Assesses Health of Economy

OW3110084791 Tokyo KYODO in English 0815 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Bank of Japan (BOJ) Governor Yasushi Mieno said Thursday business confidence among Japanese companies is on the wane, and its effect on the economy requires close monitoring.

Mieno also said at a press conference the downtrend in land prices has become clearer both in large and provincial cities.

But he added the overall economy remains on a firm footing, propped up by strong capital and consumer spending.

"There is no concern that the economy will take a sharp downturn in the near future," he said.

Mieno responded to a question about the central bank's view on Japan's economic health by quoting reports by BOJ branch heads at their meeting Tuesday and Wednesday.

He said the reports show the "corporate mind" is apparently turning bearish, but its actual effect on the economy has yet to materialize.

"Its impact, for instance, on the capital spending in the next fiscal year is not yet clear," he said.

Mieno reiterated that consumer spending and corporate investments in plants and facilities are still brisk, and are likely to remain so for the time being.

Although capital spending is slowing down after three years of double-digit expansion, companies' appetite for investments for research and development as well as for streamliming are robust, he said.

And individual consumption, while weakening in luxury goods, are by and large still solid, he argued.

The BOJ's diagnosis on the health of the Japanese economy has not changed due to the reports by BOJ branch managers, Mieno stressed.

"We will continue the present cautious monetary stance with top priority on price stability," he said.

Mieno's remarks came amid rampant speculation and news reports the central bank will lower the official discount rate shortly, probably immediately after Kiichi Miyazawa becomes new prime minister Tuesday.

On the price trend, which he often cited as one of the main factors that determine BOJ policy, Mieno said upward pressures stemming from companies' moves to pass rising labor and distribution costs onto prices still persist.

Land prices have been tamed considerably, which he said is a good thing, but added he wishes to see further stabilization.

He also said he expects Miyazawa will understand the BOJ's stance.

On the ongoing massive shift of money to postal savings from bank deposits, which is putting a cap on money supply growth, Mieno said controlled interest rates, including those on postal savings, should reflect market rates.

Postal savings' use as a financial instrument should also be made in line with market conditions amid deregulation of financial markets, he said.

A huge amount of money is currently flowing out of bank deposits like money market certificates (MMCs), whose interest rates are linked to market rates, which have fallen sharply, into postal savings with higher fixed interest rates.

The interest rates on postal savings are decided by the government based on a recommendation by an advisory panel to the minister of posts and telecommunications.

The mainstay commodity among postal savings, "teigaku chokin," for instance, currently carries a designated annual rate of 8.061 percent if deposited for ten years, while the rates on small-lot one-year MMCs are around 5 percent.

There have been growing calls from commercial banks for an overall review of the rates on postal savings and its decision- making system.

The Finance Ministry and the posts and telecommunications ministry have already started talks on the issue.

Central Bank Governor Addresses Economic Group

Notes Bank's 'Comprehensive View'

OW3110072791 Tokyo KYODO in English 0624 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Bank of Japan Governor Yasushi Mieno said Thursday the central bank is taking a comprehensive view of monetary policy in considering any change in the official discount rate.

Mieno's remark came as speculation mounted that the central bank will cut its key lending rate by 0.5 percentage point to 5.0 percent per annum early in November.

The head of the central bank, speaking to leaders of the Federation of Economic Organizations (Keidanren), said the economy remains firm but corporate confidence is becoming bearish.

Steady monetary policy is needed to achieve stable growth without inflation, Mieno said.

Stresses Stable Growth

OW3110101091 Tokyo KYODO in English 0936 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Bank of Japan Governor Yasushi Mieno said Thursday he will take into account the recent economic slowdown in making a decision on monetary policy, a business leader said.

Mieno told executives of the Federation of Economic Organizations (Keidanren) that Japan's economy is slowing gradually and that the implications of the slowed growth must be considered in relation to monetary policy, according to Kenji Kawakatsu, a Keidanren vice chairman.

Kawakatsu quoted the central banker as telling the closed-door meeting that corporate leaders are turning bearish, despite continued underlying strength in the economy.

Mieno reportedly stressed the need for the central bank to achieve stable growth without causing inflation, adding that a stable monetary policy is needed to achieve that end.

Speaking of the official discount rate, Mieno said that a change in the base rate must be considered in the context of a series of changes in monetary policy and that he will carefully watch price movements in considering a change, according to Kawakatsu.

In a question-and-answer session, Akio Morita, Sony Corp. chairman and a Keidanren vice chairman, reportedly called on Mieno to cut the discount rate soon, noting growing signs that corporate capital spending is slowing.

Government To Resume Bond Purchase Operations

OW3110122591 Tokyo KYODO in English 1130 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—The Finance Ministry and the Bank of Japan (BOJ) have decided to resume government bond purchase operations in the money market, using growing funds at the ministry's trust fund bureau, officials said Thursday.

The move has been prompted by a massive shift of money to postal savings from bank deposits, which has raised the need for greater diversification of investment instruments for the bureau's funds, the officials said.

The operation is also intended to give the BOJ greater maneuvering room in its market control, the officials said.

The trust fund bureau invests and loans the money that flows into government hands through postal savings, public pensions, and other sources.

The expected operations will provide the BOJ with an effective instrument for fine-tuning the money supply in the market.

A government bond purchase operation using the funds at the bureau has not been conducted since April 1986.

For the open market operation, the BOJ will arrange with commercial banks a so-called reverse repurchase agreement, whereby the BOJ agrees to buy Japanese Government bonds and banks agree to repurchase them one to two months later.

Banks will be required to participate in bidding for the interest rates, the officials said.

The central bank hopes the operation will help it supply neccessary funds in December, when a massive shortfall of funds is projected in the market.

The first operation will amount to several hundred billion yen, and an additional several trillion yen in bonds will be bought by the government if the first bidding is successful.

The BOJ has been plagued by dwindling amounts of bills in the market as Japanese companies are weary of costly issuance of commercial bills.

The decrease in the amount of floating bills has narrowed the manuvering room for the BOJ's money market control through bill operations.

Auto Consumption Tax Maintained at Six Percent

OW3110103491 Tokyo KYODO in English 1010 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—The Finance Ministry will maintain the consumption tax on passenger cars at 6 percent beyond fiscal 1992, beginning next April, ministry officials said Thursday.

The tax on small- and medium-sized cars was set at 6 percent as an exception to the 3 percent consumption tax which was introduced in April 1989. It was to have been reduced to 3 percent in fiscal 1992.

The higher tax on cars was introduced because the commodity taxes of 23 percent on medium-sized cars and 18.5 percent on small cars were discontinued with the introduction of the consumption tax.

The officials said the ministry will keep the tax rate on cars unchanged for three more years from next April to deal with a revenue shortfall of 1 to 2 trillion yen resulting from the economic slowdown and the collapse of the "bubble economy."

Extra tax revenues from the tax surcharge in fiscal 1990 amounted to 200 billion yen, the officials said.

The government is expected to submit special legislation on the car tax rate to the next Diet session.

But the Japan Automobile Manufacturers Association is resisting the government moves, with auto sales slumping at home and abroad.

First-Half Housing Starts Drop 22.2 Percent

OW3110092491 Tokyo KYODO in English 0836 GMT 31 Oct 91

[Text] Tokyo, Oct. 31 KYODO—Japan's housing starts in the first half of fiscal 1991 plunged 22.2 percent on year due to higher interest rates and the collapse of the "bubble economy," the Construction Ministry said Thursday.

The ministry said housing starts in September alone dropped 26.6 percent on year to 111,645 units, marking the 11th consecutive year-on-year decline.

With the latest monthly figure, the total housing starts during the first six months of the current fiscal year, ended September 30, came to 708,440 units.

A ministry official said the floundering trend in housing starts would continue for a while, despite some declining signs in interest rates.

The number of housing starts in the full fiscal year through March 31 would finish in the 1.3 million level, far short of the 1.4 million level in fiscal 1990, he added.

During the first half of the fiscal year, construction of owner-occupied houses totaled 239,148 units, down 12.4 percent from a year earlier, marking the second consecutive year-on-year drop in the first six months of a fiscal year.

Building starts on houses for rent fell 30.8 percent to 293,374 units. This compared with a 1.7 percent rise by the sector in fiscal 1990 first half.

Construction of houses for sale also sagged 21.1 percent on year to 152,464 units. It was the first year-on-year decline in five years.

As a feature of the drop in September alone, the official pointed to a sagging trend in construction of condominiums for sale, which plunged 44.7 percent from a year earlier to 12,862 units.

The worst drop ever recorded was 58.5 percent in May 1982, known as the "condominium recession."

Amid such a sluggish situation, the average per-unit size of houses and apartments is becoming larger, the official pointed out.

Those contracted for during the first fiscal half were 87.8 square meters per unit, up from 82.0 square meters.

North Korea

U.S. 'Scheme' To Keep Troops in South Condemned

SK3110052991 Pyongyang KCNA in English 0507 GMT 31 Oct 91

["U.S. Imperialists' Scheme for Permanent Occupation of South Korea"—KCNA headline]

[Text] Pyongyang October 31 (KCNA)—NODONG SINMUN today denounces the United States which is resorting to every conceivable scheme to keep its troops in South Korea.

Its news analyst says:

The spokesman of the U.S. Defence Department a few days ago declared that the matters agreed upon at the North-South high-level talks will not accelerate the reduction of the U.S. forces, arguing that the size of the U.S. forces deployed in South Korea was to be decided according to "the comprehensive appraisal by the need of security in the Pacific region", beside that of the Korean peninsula.

This is a new card brought forward by the U.S. imperialists to evade the withdrawal of their troops, feeling uneasy at the daily growing demand of the Korean people and the world people for the withdrawal of the U.S. troops from South Korea and conversion of the Korean peninsula into a nuclear-free peace zone. By stating that the matters agreed upon at the North-South high-level talks will not accelerate the reduction of the U.S. forces, he revealed the sinister intention of the United States not wanting the adoption of any agreement unfavourable to their occupation of South Korea at the talks. With these words, the United States signalled the South Korean authorities how to act at the North-South high-level talks.

Thus, the noisy words of the U.S. authorities that they want a progress of the North-South high-level talks are a hypocritic gossip. The United States does not like the North-South dialogue itself.

What the United States seeks is to leave South Korea under the U.S. troops' occupation and follow the line of division and war against the Korean people. If the United States continues along this way, there will be nothing beneficial to it and it will only face sharp denunciation and rejection.

Allied Exercises Said To Belie Talk of Peace

SK3110045191 Pyongyang KCNA in English 0426 GMT 31 Oct 91

[Text] Pyongyang October 31 (KCNA)—MINJU CHOSON today comments on the reckless "Eagle 91" war exercise to be staged by the U.S. imperialists and the No Tae-u group from November 1 as an open challenge to the Korean people desirous of peace and reunification.

The news analyst brands the joint war game as a criminal war exercise against the North which would aggravate the tension between the North and the South and increase the danger of war, as part of the new war provocation moves of the U.S. imperialists and the puppet clique.

He further says:

Large-scale war exercises codenamed "Ulji" and "Eagle" are staged one after another while bellicose elements including the puppet defence minister, manipulated by the U.S. imperialists, openly make belligerent outbursts, threatening to mount a military attack on the North. This is a very ill-boding military move.

The U.S. imperialists and the South Korean puppet clique are continuously staging war exercises against the North and bringing the situation on the Korean peninsula to the brink of war, ignoring our peaceful efforts. This clearly proves that their talk about "peace" and "reconciliation" is a lie.

29 Oct Allied Military Exercises Reported

SK3110065891 Pyongyang KCNA in English 0430 GMT 31 Oct 91

[Text] Pyongyang October 31 (KCNA)—The U.S. Pacific Air Force and Navy Commands staged another large-scale joint aerial military exercise in the air above South Korea on October 29, according to military sources.

The war game staged for hours with the air above Anmyon Islet, Sosan, Yoju and Kunwi as the operational theatre was an act of military provocation aimed at testing the rapid deployment capacity of formations of nuclear-capable fighter-bombers and assault planes from the overseas bases in the operational theatre in the sky above the Korean peninsula and increase the joint strike capacity at the northern half of Korea in coordination with flying corps belonging to the U.S. Air Force in South Korea and the puppet air force.

The U.S. imperialists brought a tanker plane to the air above the waters south of the West Sea of Korea from their Pacific base to stage an exercise of mid-air refuelling of fighter-bombers and assault planes belonging to the U.S. Airforce in South Korea and the puppet airforce.

On the 29th 105 mm gun groups belonging to the puppet army massed in Chongja-ri, Paju County, fired scores of shells at the other side of the River Imjin and armed bandits of the pupept army marched to the vicinity of Sogok- ri, Paju County, and threatened the North side, firing some 270 bullets of 12.7 mm large-calibre machine gun at Namgyong area of the demilitarized zone.

Formations of armed helicopters belonging to the puppet army staged a parachuting and airdropping exercise in the air above Chungsa-ri, Ryonchon County, adjacent to the military demarcation line.

The warplanes mobilized in the military exercises against the North on October 29 totalled more than 600.

PRC Delegation Tours Mangyongdae, Other Sites

SK3110104891 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 25 Oct 91

[Text] The CPC Central Committee International Liaison Department delegation led by Deputy Secretary General Huan Guoying visited Mangyongdae.

The guests visited the old Mangyongdae home where the great leader Comrade Kim Il-song was born and fostered the great intent of the revolution. They listened to the immortal story of this historic home and attentively looked at the carefully preserved relics. The guests had a photograph taken commemorating their visit to the old Mangyongdae home.

The delegation visited the historic relics museum of the party founding. The visitors looked at the historic sites and historical materials with deep interest while hearing how the great leader Comrade Kim Il-song founded the Workers Party of Korea [WPK] right after liberation and how he wisely led the struggle to strengthen and develop it.

After the visit, the head of the delegation said that they came to know even better the tradition of the WPK which was provided from the time of the anti-Japanese revolutionary struggle. He added that Comrade Kim Il-song organized and led the tradition of the WPK at that time.

He said that the friendly relations between the people and party of the two countries of Korea and China is not a normal friendship but a friendship that is deeply rooted in the hearts of the people of the two countries.

The delegation also visited other sites, including the Chuche Ideology Tower, the Arch of Triumph, the Korean Art Museum, and the West Sea Floodgate. Its members also watched an acrobatic performance.

Departs 28 Oct

SK3110105091 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 28 Oct 91

[Text] The CPC Central Committee International Liaison Department delegation led by Deputy Secretary General Huan Guoying flew home on 28 October.

Japanese 'Ship of Peace' Group Sightsees

SK3110071291 Pyongyang KCNA in English 0503 GMT 31 Oct 91

[Text] Pyongyang October 31 (KCNA)—The "ship of peace" youth friendship visiting group of Japan, divided into groups, visited various places of Pyongyang and local cities.

The guests visited Mangyongdae, the Tower of the Chuche Idea, the Korean Revolution Museum and Panmunjom. They saw the concrete wall built by the U.S. imperialists and the South Korean puppet clique in the area south of the Military Demarcation Line.

They toured Mt. Kumgang, a scenic spot, and met in Pyongyang and Kaesong with anti-Japanese revolutionary fighters, victims of Japanese imperialism, separated families and paddlers who participated in the 41st world table tennis championships in a unified team.

A peace balloon function of young Koreans and Japanese was held in Pyongyang on October 30.

Speeches were exchanged and an appeal to the young people in Asia was adopted at the function.

The participants let loose balloons and doves symbolic of peace.

A friendship gathering of young people of the two countries was held at the gymnasium of the Mangyongdae school children's palace on October 30.

The participants exchanged friendly feelings, playing sports and amusement games.

Human Rights Abuses in South Exposed, Condemned

*SK3110110391 Pyongyang KCNA in English
1001 GMT 31 Oct 91*

[Text] Pyongyang October 31 (KCNA)—The North Cholla provincial headquarters of the Coalition for National Democratic Movement in South Korea a few days ago published a picture of two persons including Ho Yun-hwa, chief of the general affairs section of the Puan County farmers association, bound with ropes and handcuffed, hanging from the bars in a prison cell of the Chongju police station, North Cholla Province.

The hangmen of the police station subjected them to this harsh torture on the charge that they protested the authorities' measures such as ban on reception of newspapers, restriction of interview and reduction of food.

This is another exposure of the harsh violation of human rights in South Korea, says NODONG SINMUN today.

The news analyst continues:

The national alliance of farmers associations in South Korea recently organised a massive rally of farmers protesting against the authorities' plan to open the rice market to the United States and demanding the procurement of the total amount of crops and a proper rice price. This was just and legitimate.

The No Tae-u group harshly suppressed the farmers, progressive organisations and their members that raised the just demand. This is an anti-popular crime.

It, not content with the imprisonment of guiltless people, denied them regular and proper food, newspapers and meeting with visitors and even tortured them by binding them hand and foot and suspending them. This is a vicious, brutal and inhuman act.

Although the No Tae-u group claims that South Korean society has been "democratized," talking about "human rights," "democracy" and "abolition of torture," the realities clearly show that their advertisement is a sheer lie and that South Korea is a worst land of human rights violation and the wilderness of democracy.

Kim Chong-il Eyes Consumer Goods at New Store

*SK3110043991 Pyongyang KCNA in English
0414 GMT 31 Oct 91*

["Comrade Kim Chong-il Goes Round Soon-To-Be-Open Kwangbok Department Store"—KCNA headline]

[Text] Pyongyang October 31 (KCNA)—The dear leader Comrade Kim Chong-il went round the Kwangbok Department Store which will be open soon.

He was accompanied by senior officials of the Central Committee of the Workers' Party of Korea [WPK] and officials concerned.

The department store built at the approach to the grand and beautiful Kwangbok Street is another excellent commercial service establishment built under the deep loving care of the WPK that constantly renders benefits for the promotion of the people's wellbeing and the improvement of the citizens' living.

After seeing counters and goods on display, he expressed deep satisfaction at the wonderfully built department store which would be conducive to further improving the material and cultural life of the citizens.

Noting that it is most important in making the people's life abundant and cultured to supply them with good-quality daily necessaries catering to their desire and demand, Comrade Kim Chong- il said the newly-built Kwangbok Department Store will be able to fully meet the citizens' demand for mass consumption goods.

He stressed that in its service activities the department store should put stress on the efforts to offer conveniences to the citizens in their life by sufficiently selling such daily necessaries as clothes, shoes, general merchandise, foodstuffs, articles for domestic use, school things and goods for cultural use.

Pointing out that as the demand of the working people and the youth of the rising generation for cultural and emotional life is growing day by day, it is important to provide them with necessary conditions, he said a music shop attached to the department store should be arranged to sell tape recorders, gramophones and other sound reproducers, cassettes, phonograph records, compact disks, etc. so that the working people, youth and students can enjoy a more cultural and emotional life and the society can be replete with the revolutionary and optimistic life.

Saying that bicycles and autobikes should be also sold to working people, school youth and children, he noted that it will help fully solve the traffic problem in the capital, make the streets animated with the revolutionary spirit and add beauty to the capital.

He said if many bicycles and autobikes are sold, working people in the capital will be very pleased. He stressed that roads for them should be designated, parking lots be built around stadiums, gymnasiums, theatres, cinema houses, fun fairs and other public establishments and recreation grounds and repair shops also be built in different parts.

Saying that if the department store sells necessary goods to the citizens, their material and cultural life will become more bountiful and cultural and the advantages of our socialist system will be brought into full play, he indicated detailed tasks for the management of the department store and its service activities.

KCNA Reviews 31 Oct Pyongyang Press

SK3110084491 Pyongyang KCNA in English 0448 GMT 31 Oct 91

[Press review]

[Text] Pyongyang October 31 (KCNA)—Papers here today report that the dear leader Comrade Kim Chong-il went round the Kwangbok Department Store which will be open soon.

Carried in the press are a letter to the great leader President Kim Il-song from Edmond Jouve, president of the council of the European society for the study of the chuche idea, an account of the fifth meeting of the council of the society held in Denmark and a report made at the meeting.

Appearing in NODONG SINMUN is a message to President Kim Il-song of the Democratic People's Republic of Korea from His Royal Highness Samdech Norodom Sihanouk, president of the Supreme National Council of Cambodia, in reply to his message of greetings sent to the latter on the signing of a peace agreement for the complete settlement of the Cambodian issue at the Paris International Conference on Cambodia.

President Kim Il-song received a letter of thanks from Beni Bahadura Karki, chairman of the National Council of Nepal, upon leaving Korea, says the paper.

Given in the paper is an account of meetings of working people held in different parts of the country to thoroughly implement the recent teachings given by President Kim Il-song to carpet rice fields with humus soil.

Works of Comrade Kim Chong-il were studied and disseminated abroad, says the paper.

The paper in an article says that Comrade Kim Chong-il put forward the policy of creating the "speed of the 80s" in order to effect a great upsurge in socialist economic construction in the 1980s and wisely led the struggle for carrying it into practice.

MINJU CHOSON runs an article on the guidance of Comrade Kim Chong-il to make officials fully display the revolutionary spirit of self-reliance in carrying out the revolutionary tasks.

The paper rounds up repercussions evoked upon scientists by "Let us effect a new turn in scientific and technological development," the historic letter of Comrade Kim Chong-il to the participants in the national meeting of scientists.

NODONG SINMUN gives an account of the European regional seminar on independence, self-reliance and socialism held in Copenhagen.

Econews of the press includes report that phenomenal successes have been registered in replacing the equipment of the Hungnam fertilizer complex with large and modern one.

Given in NODONG SINMUN is an account of meetings held to mark the 30th founding anniversaries of the Hamhung woollen textile mill, Myongsin University and Kim Chong-tae University.

The paper informs the readers that an agreement between the International Department of the Central Committee of the Workers' Party of Korea [WPK] and the youth organisation of the United Malay National Organisation of Malaysia was signed in Kuala Lumpur and the general secretary of the United Malay National Organisation of Malaysia met with a delegation of the WPK.

Carried in the press are a report that the newly-appointed DPRK ambassador presented his credentials to the president of the State of Palestine and an account of the sojourn in Korea of the Japanese "peace boat" youth friendship visiting group.

"The Regularisation of Enterprise Management Is Method of Managing and Operating Socialist Economy" is the title of a MINJU CHOSON article.

World political and public circles are pressing for the withdrawal of the U.S. forces and nuclear weapons from South Korea and organisations and figures of various countries are demanding the return of old man Yi In-mo, says the press.

The South Korean news columns of the press include a report that a literature demanding the abolition of the "national security law" was found in the police stations in Pusan, South Korea.

NODONG SINMUN reports that the U.S. imperialists and the South Korean puppets staged air and ground joint strike exercises and aerial espionage on the North and they announced their plan to stage the "Eagle 91" joint military exercise, a war game against the northern half of Korea.

NODONG SINMUN comes out with a commentary denouncing the violations of human rights in South Korea.

The paper runs articles branding South Korea as an anti-popular society corrupt and ailing in political, economic and all other spheres.

NODONG SINMUN comes out with a commentary denouncing the blast of the spokesman for the U.S. Department of Defence that the U.S. will continue to occupy South Korea and MINJU CHOSON a commentary condemning the "Eagle 91" joint military exercise being projected by the United States and the South Korean puppets.

President of the People's Republic of China Yang Shangkun stated that the right of the people of each country to decide upon their destiny must be respected, the president of Syria outlined the way of solving the Mideast issue and the chairman of the Executive Committee of the Palestine Liberation Organisation demanded that Israel pull out of the occupied area, says the press.

The press reports about the moves for the founding of a progressive party in the Soviet Union and the achievements gained by the Vietnamese working people in economic construction.

NODONG SINMUN carries an article hailing the signing of peace agreements for the complete settlement of the Cambodian issue at the Paris international conference on Cambodia.

In the monthly review of the international situation headlined "Contradictory Phenomena of Detente and Confrontation" the paper maintains that if the U.S. imperialists truly want detente and peace, they should produce a disarmament proposal which conforms to the desire of the people and take practical steps to carry it into practice.

South Korea

North-South Working-Level Consultations Set

SK3110064091 Seoul YONHAP in English 0616 GMT 31 Oct 91

[Text] Seoul, Oct. 31 (YONHAP)—South and North Korea will hold the first working-level consultations on the content of an agreement on reconciliation, nonaggression, and exchange and cooperation at the truce village of Panmunjom on Nov. 7.

The consultations would be held at Tongilgak in the northern section of the truce village bordering the two Koreas, South Korean Government sources said Thursday.

The two sides decided to produce the agreement in the fourth round of high-level political talks in the North Korean capital of Pyongyang last week. The talks were attended by prime ministers and other high-ranking officials from both sides.

It was agreed during the talks that the two sides would work out details on the contents of the agreement before the fifth round of talks, slated for Dec. 10 in Seoul.

The two sides also agreed then that they would proceed with the fifth round of talks even if they failed to work out the details of the agreement.

The coming consultations will be attended by, on the South Korean side, Vice Unification Minister Song Han-ho; Yim Tong-won, dean of the Foreign Ministry's Institute of Foreign Affairs and National Security;: and Yi Tong-pok, South-side spokesman for the inter-Korean high-level talks.

The North Korean participants will be Choe U-chin, roving ambassador at the Foreign Ministry; Paek Nam-chun, director of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland; and Kim Yong-chol, vice minister of the People's Armed Forces.

During the consultations, the sources said, the South will strongly propose economic exchanges and a reunion of senior citizens from families separated during the 1945 national division and the fratricidal Korean war (1950-53).

"Our delegates will take a rather flexible attitude toward the North's proposals," one of the sources said.

He said North Korea was also expected to take a softer stance under the current circumstances, pointing out that North Korea would hold normalization of talks with Japan late next month.

South 'Not To Threaten' North's Communist System

SK3110093391 Seoul YONHAP in English 0847 GMT 31 Oct 91

[Text] Berlin, Germany, Oct. 31 (YONHAP)—South Korea will not try to threaten North Korea's communist system, the German magazine DIE ZEIT quoted president No Tae-u as saying in an interview.

An article, headlined "A Silent Step Toward Reunification," in its Oct. 31 editions features an interview with No and discussed the prospects for reunification of the Korean peninsula.

No was quoted as saying roughly the following: South Korea's goal is not to see the sudden collapse of the North but its gradual transformation into a trustworthy neighbor.

Any South Korean bid to pursue German-style reunification of the Korean peninsula would make the North extremely distrustful, No was quoted as saying in effect.

North Korea insists on living in self-imposed isolation and refuses to allow people-to-people exchanges, let alone improve relations with South Korea, No said.

The South, he said, was prepared to immediately enter into joint projects to develop resources and establish joint-venture factories, which would combine the North's manpower and the South's capital and technology.

Once inter-Korean cooperation and exchanges are realized, it will be possible to establish permanent representatives in Seoul and Pyongyang, he observed. Subsequently, the two Koreas can develop a more advanced cooperative system in the form of a commonwealth, No said.

UN Envoy Urges North To Sign Safeguards Accord

SK3110015891 Seoul YONHAP in English 0134 GMT 31 Oct 91

[Text] United Nations, Oct. 30 (OANA-YONHAP)—South Korean Ambassador to the United Nations No Chang-hui called Wednesday for the International Atomic Energy Agency (IAEA) to institute a more effective and reliable nuclear inspection system, and for North Korea to sign a full-scope safeguards accord as stipulated by the Nuclear Non-Proliferation Treaty (NPT) without delay.

The ambassador also urged a global commitment to reducing weapons of mass destruction by concluding pacts against proliferation of chemical and biological weapons.

"In our view, it is imperative that all state parties, nuclear and non-nuclear states, fully comply with the duties and obligations imposed by the NPT. It is incumbent upon state parties to conclude safeguards agreements with the IAEA as required by the treaty, especially those parties engaged in significant nuclear activities," he said in addressing the U.N. first committee on disarmament.

It was South Korea's first keynote speech to the committee since becoming a full U.N. member Sept. 17.

"It should be recalled, in this connection, that the IAEA governing board adopted last month a resolution calling upon the Democratic People's Republic of Korea (North Korea) to sign, ratify and fully implement the IAEA safeguards agreement as dictated by the NPT. We now appeal to the DPRK once again to fulfill its international obligations without further delay," he told the committee.

No called attention to an IAEA report to the U.N. General Assembly last week and said: "The urgent need for a more effective and reliable safeguards system should be underscored."

Calling for speedy progress on concluding the chemical weapons convention and the biological weapons convention, the South Korean ambassador urged "complete prohibition of the development, production, stockpiling, and use of chemical weapons, and on their destruction."

South Korea fully supported establishment of an expert group to consider technical issues, especially on verification and compliance procedures for biological weapons reduction, he told the committee.

Government Urged To Go Slow on S-N Treaty

SK3110003591 Seoul THE KOREA TIMES in English 31 Oct 91 p 6

[Editorial: "No Hurry for S-N Treaty"]

[Text] The government should not be impatient about reaching a comprehensive agreement on basic relations with North Korea to cap its nordpolitik. It hailed the achievement produced at the recent fourth round of inter-Korean premiers' talks but it has wisely since toned down its remarks on the talks, presumably in consideration of the prevalent public opinion calling for a cautious approach to the North Korean regime in future negotiations.

The two Koreas reached an accord to adopt a basic treaty of reconciliation, nonaggression and cooperation at the Pyongyang talks, combining rival goals from the two sides: Pyongyang's military nonaggression versus Seoul's political reconciliation, economic cooperation and personnel exchanges.

Terming the talks' outcome a breakthrough in the inter-Korean relationship, the government presented a euphoric picture to the public and the officials involved seemed to be anxious to wrap up the treaty in the coming premiers' talks slated for Dec. 10-13 in Seoul, and continue the pace of the so-far successful Northern Policy.

The mutual accord on the treaty title is significant, as it paved the way for the two sides to continue their dialogue at future premiers' talks. But whether this dialogue will result in any tangible results remains to be seen. The primary reason for this skepticism is Pyongyang's failure to change its basic policy.

It is ironically to be noted that the Pyongyang regime has played up the "successful" outcome of the latest premiers' talks with the apparent scheme of enlisting world opinion, especially in the United States and Japan, on the shared assumption that progress in the South-North talks will serve the purpose of improving relations with these major industrialist countries.

Therefore, the Seoul government should be wise enough not to be taken in by Pyongyang's propaganda and expedite the North's political maneuvering. Salient evidence indicating Pyongyang's immutable strategy is its obstinate refusal to sign the Nuclear Safeguards Accord and open up its nuclear facilities for international inspection.

The Pyongyang leadership is almost certainly developing nuclear weapons secretly despite mounting international condemnation at the same time as it is seeking to improve ties with the U.S. and Japan in an effort to save its collapsing economy with the latter's aid. The on-and-off talks between Pyongyang and Tokyo are in a large degree staked on the improved inter-Korean relations on the one hand and Pyongyang's acceptance of international nuclear supervision on the other.

The North's insidious tactics to go nuclear under the disguise of peace should not be accommodated by Seoul and the family of nations. Increased international pressure to compel Pyongyang to accept international nuclear inspection is necessary, as in the case of Iraq where U.N. inspectors are engaged in seeking out nuclear weapons facilities with the mandate to prevent, halt and destroy weapons programs.

President No Tae-u recently instructed Prime Minister Chong Won-sik to take a flexible posture in the inter-Korean talks and accordingly government officials concerned are busy working on some compromise terms for the next session. The government, of course, needs to do its best to promote a fruitful dialogue, notably with regard to Seoul's initiatives for economic cooperation and personnel exchanges, mainly of trade, communications and travel.

However, the North Korean proposal for nonaggression should be given a very cautious consideration, in connection with its nuclear weapons development which will, if realized, pose an unparallel threat to the South and other nations in Southeast Asia. The proposed mutual arms reduction proposal and the conclusion of a related nonaggression pact are virtually meaningless, unless the North's nuclear arsenal bid is rendered to naught.

Red Cross President Sends Message to North

SK3110084891 Seoul KBS-1 Radio Network in Korean 0800 GMT 31 Oct 91

[Text] Kang Yong-hun, president of the ROK Red Cross, sent a telephone message today to Yi Song-ho, acting chairman of the North Korean Red Cross Society Central Committee, informing him that he will send a liaison officer to the Neutral Nations Supervisory Commission conference room in Panmunjom at 1500 on 1 November to receive the North side's letter to the Executive Committee of the Seoul seminar on peace in Asia and the role of women, as requested by the North Korean side.

North-South 'Direct Deals' May Reach $7 Billion

SK3010114591 Seoul YONHAP in English 0741 GMT 30 Oct 91

[Text] Seoul, Oct. 30 (YONHAP)—If South and North Korea open full-fledged direct deals, annual two-way trade would easily approach 7 billion U.S. dollars, according to a government estimate released Wednesday.

The estimate by the Economic Planning Board and the Trade and Industry Ministry says deals could be made for some 85 goods and materials. Two-way trade is projected to reach 200 million dollars this year.

South Korea could introduce some 890 million dollars worth of 30 items from the North and sell 5.88 billion dollars worth of 55 items to its communist neighbor.

The capitalist South may sell goods ranging from agricultural products such as tangerines to commodities such as toothbrushes. Other potential exports are automobiles and machinery (2.19 billion dollars), and steel and metal products (1.17 billion dollars).

Prospects are also bright for sales of refrigerators and electronic goods (822 million dollars), textile products (815 million dollars), footwear and chemical products (727 million dollars), and agricultural and fisheries items (12 million dollars), the estimate says.

The resource-rich communist North may sell hot coil and other metal products (652 million dollars), cement and minerals (199 million dollars), agricultural and fisheries products (21 million dollars), and machinery (19 million dollars).

Japanese Envoy on Korea Ties, Nuclear Issue

SK3110003591 Seoul THE KOREA TIMES in English 31 Oct 91 p 1

[Text] Japanese Ambassador to Korea Kenichi Yanagi made it clear yesterday that Japan would not seek to normalize its diplomatic relations with North Korea unless the North opens all nuclear facilities to international inspection.

"The issue of nuclear development in North Korea is one that has great implication for Japan's own security. We have emphasized that, without a resolution of this problem, normal relations with the North will be hard to establish," Yanagi said in a speech to a luncheon meeting hosted by the Korean Council on Foreign Relations led by Yun Sok-hon.

He said that the Japanese government pressed again for serious and forward looking attitudes in the South-North dialogue so as to achieve substantial results, during the fourth round of normalization talks in late August in Beijing.

"We also urged the North once again to promptly and unconditionally sign and implement the nuclear safeguards agreement with the IAEA, telling them that all nuclear-related facilities, including those for reprocessing, must be opened for inspection," he said.

The two questions are among five preconditions South Korea suggested to Japan for the establishment of full diplomatic ties between Pyongyang and Tokyo.

Touching on Korea-Japan ties, Yanagi said that the government and people of Japan "genuinely desire seeing the unification of the Korean peninsula and intend to do all we can from the sidelines to assist the South-North dialogue leading to reunification.

"We believe that there cannot be peace and prosperity in the Asia-Pacific region without reduced tensions and greater stability and prosperity on the Korean peninsula," he said.

The ambassador also said, "In view of the current turbulent world situation marked by instability and uncertainty, there is no other choice for both of us, in the pursuit of our respective long-term national interests, but to make serious efforts to forge a truly 'close and intimate' relationship."

"We are not looking to the future of Japan-Korea relations in terms of rivals," he said during a question-and-answer session.

As to the snowballing trade imbalance against Korea, Yanagi said, "Something must be done to rectify the trade imbalance between Japan and Korea. But there is a limit in the Japanese government's efforts for that purpose."

He then called for the creation of a favorable atmosphere for Japanese businesses' investment in Korea.

In order to dissipate concerns from neighboring countries about Japan emerging as a military power, Yanagi said, "Japan is committed to the basic doctrine of never becoming the kind of military power that could threaten other countries, and sticks to an 'exclusively defensive' stance."

"I can state with great confidence that Japan will never become a military power," he added.

* Private Businesses Appear in North Korea

912C0308A Seoul CHUNGANG ILBO in Korean 28 Aug 91 p 9

[Article by reporter An Hui-chang:"Private Enterprises Take Root in North"]

[Text] Changes in North Korea—such as the proliferation of private businesses in that country's commodity distribution system, which had been uniformly operated by a planned economic system—are attracting attention.

A series of recent developments that have come to light in the economic field in North Korea suggest the beginnings of a trend, albeit at a very low level.

Generally, all commodities in North Korea are circulated by the route of producer to wholesaler to retailer, a process that utilizes the "commodity order method."

That is, each subordinate unit investigates the requirements or demand of the populace and prepares an order to fill the demand and passes it on to the next higher unit. That quantity of the commodity is then produced and supplied to the lower level units through a retail network.

First of all, the wholesaler's function is to receive the supply from the producer and furnish it to the retailer in a planned manner.

There are three kinds of wholesaler: the central (capital area) wholesaler, the "provincial wholesaler" in each province, and "district wholesaler" in the cities and counties.

In addition, there are wholesalers classified according to major commodity types, such as textile wholesalers, footwear wholesalers, refreshment wholesalers, and meat wholesalers.

The wholesale price is determined as the average prime cost of the commodity plus a certain amount required for the management and operations of the producing enterprise.

After receiving the commodity from the wholesale outlet through this kind of process, the retail outlet sells the commodity after verifying the amount recorded on the purchase card of the resident.

The kinds of retail outlets are classified into various types such as Pyongyang department stores, provincial and city general stores, and ri and tong [administrative subdivisions] shops.

Through this kind of distribution structure, the North Korean populace is able to purchase goods at the stores designated by the purchase cards.

Only small, cheap articles such as toilet paper, safety pins, and nail clippers can be bought without a purchase card.

However, after Kim Chong-il's instruction to carry out a consumer production movement was handed down in 1984, changes also began to take place in the commodity distribution system.

Anomalies in the order system production method began to appear.

For example, a system of buying and selling goods without a purchase order either came into being or expanded.

First of all, a system arose in which some goods were not supplied through purchase orders from a producing factory, but were bought and sold by the people directly from the producer.

Here there are two kinds of distribution, one of which is the farmer's market (referred to in the cities as the "marketplace").

This is a system that permits the free sale of surplus produce from cooperative farms and vegetables produced in family gardens.

This system was set for the purpose of increasing the coop farm members' will to work and as a temporary makeshift for providing everyday necessities that the retail outlets are unable to provide on time.

Recently, however, such commodities as grains, foodstuffs, used clothing, and furniture are being marketed briskly.

Things have reached the point where "black markets" have sprung up even for cigarettes and liquor and other commodities that are banned from being bought and sold. And the prices of such commodities are more than 10 times higher than the state-set prices, according to defectors.

This system is very popular among the North Korean people, and restaurants and soft-drink stands and other subsidiary convenience facilities are also beginning to appear.

Another system is the "direct outlet," which has a certain relationship with the household work teams established in factories and coop farms.

That is, these direct outlets supply to the populace the daily necessities produced separately by household work teams using waste materials.

At the second North-South high level conference held in Pyongyang in October of last year, the North Korean guides explained to us that this system was set up by a Kim Chong-il instruction and is enjoying great success.

In addition, commodity sales in North Korea are also transacted through private enterprises.

Private enterprises are operated by retired persons who have no side income. The types of businesses are extremely limited.

For example, retired women living in cities engage in household service businesses such as sewing, knitting, and shoe repair. Retired women living in farming and fishing villages gather and sell things such as pine mushrooms, various herb roots, fatsia shoots, sea cucumber, sea squirts, and clams.

It has been learned that the income derived from these activities is not insignificant, reaching the level of about 150 won a month—2.5 times the average monthly wage of 60 won for working women.

It is reported, however, that the North Korean authorities are to a certain extent curbing these private enterprises, on the grounds that they are throwing the existing distribution system into disarray.

In this regard, the authorities have adopted measures calling for 20 percent of the total private income to be paid to the government in the form of taxes and for grain rations of private entrepreneurs to be reduced from 600 grams a day to 300 grams.

ROK-Kazakhstan Business Training Set for Dec

SK3110035891 Seoul YONHAP in English 0217 GMT 31 Oct 91

[Text] Seoul, Oct. 31 (YONHAP)—South Korea and the Soviet Republic of Kazakhstan will hold a first business training session here in December, the Foreign Ministry said Thursday.

Fifteen Kazakh trainees will attend the session on free-market economy, tour industrial complexes and hold roving seminars Dec. 3- 20 sponsored by the Ministry.

The session is to cost approximately 100,000 U.S. dollars, to be paid by the Ministry's Korea International Cooperation Agency (KOICA). A second session is scheduled in the first half of next year for another group of 10 to 15 people.

Seoul To Host UNDP Meeting on Tuman Project

SK3110032691 Seoul CHUNGANG ILBO in Korean 28 Oct 91 p 1

[Text] The United Nations Development Program [UNDP] has decided to hold a conference of countries interested in the Tuman River development project in Seoul next January. The South and North have agreed to strengthen consultation on the North side's preparation of a draft plan to be submitted to the conference.

The UNDP, the conference organizer, also is reported to have decided to open direct satellite-relayed telephone lines linking the South and North and Mongolia.

A source concerned said on 28 October: In a conference held in Pyongyang on 18 October, the six nations concerned agreed to develop Sonbong district on a precedent basis and to hold the second conference next January in Seoul for follow-up discussion.

The source explained: In particular, the UNDP, as it is presiding over the development project, has recommended that the ROK, which has insisted on participating in the project and actively taking part in the development of Sonbong district on a precedent basis, join North Korea in preparing the development plan. It is argued that it is virtually impossible for North Korea, which is not familiar with the idea of market-oriented economy and free trade, to provide a viable plan on its own. The two sides have agreed to this recommendation.

The source continued: According to this agreement, both the South and North are expected at an early date to start consulting each other to work out the development plan and complete it before the Seoul conference in January. Attending are China, the Soviet Union, Mongolia, and Japan. Consultation between the South and North as such is expected to be of great help in promoting economic exchanges and in normalizing political relations between the two sides.

He went on: The UNDP has decided to open direct satellite telephone lines linking itself to the South, North, and Mongolia, and other countries concerned to provide satisfactory support to the consultation.

Another international source concerned said: In the UNDP meeting in Pyongyang, the participants seriously discussed direct travel for those involved in the development project, including UNDP officials, to Seoul and Pyongyang without having to go through Tokyo and Beijing. A possibility exists that this could be realized sometime next year.

The six countries participating in the Tuman River development project are now promoting consultation among them on the understanding that they finalize the development project by July 1993. In the meantime, during the fourth round of the South-North high-level talks, North Korea thanked the ROK for its support for the project and asked for its positive cooperation in the future.

EC Merger Likely To 'Burden' ROK Economy

SK2410042991 Seoul THE KOREA HERALD in English 24 Oct 91 p 1,6

[By staff reporter Choe Song-chin]

[Text] Tuesday's accord to merge the European Community and the European Free Trade Association (EFTA), though expected, will probably prove to be a big burden on the Korean economy, not only in the regional terms but also in the country's global trade context.

The birth of a 19-national European Economic Area [EEA] could not come at a worse moment for this country. Seoul is now suffering from one of its worst trade deficits.

Some analysts here have already spun out a grim version of even enlarged "European economic fortress," but not without some justification.

Beginning in 1993, the EEA will emerge as the world's largest and most integrated common market in the view of officials at the Ministry of Trade and Industry [MTI].

As of the end of 1989, the combined population of the 19 countries was 380 million, compared with the 360 million in the NAFTA (North American Free Trade Association) countries.

The EEA's total GDP (gross domestic product) stood at $5.5 trillion, which even surpassed the $5.2 trillion of the United States. GDP measures a country's total output of goods and services less some foreign-related income. More than 60 percent of their external transactions are also being made among themselves, accounting for 45 percent of total global trade, the officials noted.

What's worrying the local observers is that the expanded economic grouping of the Europeans will leave extremely little room for corporate advances from non-regional countries like Korea.

Moreover, Seoul has yet to fully mobilize its potential to develop the European market as a means of reducing its undue dependency on the United States and Japan.

Exports to and imports from the EC rose about 20 percent to $6.4 billion and $6.5 billion, respectively, in the first eight months of the year, compared with the same period of 1990.

Still, Korea has less than 1 percent share in the EC market compared with 2 percent share in the world market.

The after effect of EEA integration which covers entire West Europe from the Arctic to the Mediterranean, however, will not be limited to fewer business opportunities in the region.

The EEA formation is in fact only the first stage of the so- called "Pax-Europa," which will encompass the newly-democratized Eastern Europe and even the Soviet Union, says a ranking MTI official.

"It will undoubtedly stimulate the United States and Asian countries to accelerate the regional grouping of global economy, which has been under way," Chang So-kan, director-general of the MTI's Trade Promotion Bureau, said.

The ASEAN has already agreed to form a free trade zone, called East Asian Economic Caucus, as a counter-move to EEA and NAFTA and is beckoning Japan, China and Korea to join them, he said.

"There is a limit, however, for Seoul to play this group play," Chang said. "Geographically and culturally, Korea has little common with the three proposed regional blocs."

He said the only imaginable formula is to formulate a Northeast Asian economic group, comprising South and North Korea plus Japan, China and possibly, the Soviet Far East.

"At this stage, the idea, however, is next to impossible to realize due to ideological differences and other difficulties existing among them," he said.

To crack the increasing isolation under this gloomy scenario, this country has to resort to a few practicable approaches, the official said.

First, he said, the Korean businesses should try their utmost to infiltrate into these blocs before their doors are completely closed through maximum overseas investments and joint ventures in these countries or their neighboring nations. In the process, it should also internationalize various industrial standards and trade regulations to best suit their environments, he said.

Second, to prepare for increasing tendency toward economic reciprocity, the Korean firms also should expand the scale of business further through mergers and acquisitions among similar business lines.

Third, government for its part should allow more self-regulations on private businesses for them to better compete with larger and more efficient foreign companies both at home and about in this fully liberalized economic era.

The ultimate and best answer should be found in strengthening of the Korean industry to survive the increasingly unpredictable international economic climate, as their Japanese counterparts have done so successfully, he said.

Local Assemblies Show Poor Track Record

SK3110010591 Seoul THE KOREA HERALD in English 31 Oct 91 p 8

[Editorial: "Unsatisfactory Local Assemblies"]

[Text] The initial track record of our local assemblies in the past six months has been far below par, to the great chagrin of their constituency. Some might gloss over it as being merely the trial and error that is characteristic of "freshman" chambers which were introduced after a long interruption of three decades in local autonomy.

But others dare to call into question the maturity and capacity of the Korean people for self-government at the grass-roots level. They believe the inadequate performance of the elementary-level assemblies for cities, counties and wards throws discredit not so much upon the quality of the voting public as upon the qualifications of the elected representatives.

Opposition to and delay in forming local assemblies under old administrations stemmed largely from widespread misgivings about the feasibility of local self-rule in the still disorderly and under- developed political culture of this country. If the members of the existing local assemblies continue to perform as badly as ever, it could seriously weaken the case for an early election of mayors and provincial governors next year.

Already, many of the deputies to local councils have been expelled, disciplined or arrested on various counts of corruption, influence peddling and other indecent behaviors. Others were accused of taking interest more in officially paid junkets and arbitrary pork barreling than in the regular and proper duties and functions of local assemblymen.

To these charges is added another call to pay "remunerations" from the treasury, raised of late by most councilmen and endorsed by the main political parties. Request for pay is considered to be a clear betrayal of the public mandate and a breach of promise those would-be local assemblymen had made not to seek any pecuniary reward for their service. Under the present legal and electoral system these councilmen are honorary officials who are supposed to be self-supporting.

It is by no means fitting and timely to divert part of the small public coffers to pay those assemblymen. Few lower-echelon autonomous localities are fiscally self-sufficient. They are hardly in a position to plead for more subsidies from the central government to pay their honorary officials.

Both the ruling and opposition parties seem to be one in approving of some form of financial reward for councilmen, most of whom come from their ranks. Second thought should be given to such a self-serving idea. Grave soul-searching and self-reform on the part of local assemblymen are in order.

Jan-Sep Crude Imports Up 28.9 Percent

SK3110094991 Seoul YONHAP in English 0905 GMT 31 Oct 91

[Text] Seoul, Oct. 31 (YONHAP)—South Korea's imports of crude oil soared 28.9 percent in the first nine months to 289,592,000 barrels over a year earlier and the bill jumped 44.1 percent from 3,926 million U.S. dollars to 5,656 million dollars on a cost, insurance and freight basis, the Energy and Resources Ministry said Thursday.

The average import price rose from 16.52 dollars a barrel in January-September last year to 18.41 dollars on a free-on-board basis for the first three quarters of 1991.

Oil imports were up because refinery capacity increased 28.7 percent when Yukong Ltd. and Ssangyong Oil Refining Co. expanded their facilities.

Consumption in the nine-month period was 297,563,000 barrels, up 17.3 percent, and exports of oil derivatives rose 103.2 percent to 63,513,000 barrels.

Saudi Arabian crude accounted for 34.1 percent of the total, followed by the United Arab Emirates, Oman, Iran and Indonesia.

Manufacturing Share in Economy Decreasing

SK2910015791 Seoul THE KOREA ECONOMIC WEEKLY in English 28 Oct 91 pp 32, 33

[Text] The share of the manufacturing sector in Korea's overall industrial performance has been decreasing gradually, and the scale of net profits of all industries has been declining.

These findings were based on a survey conducted by the Korea Management Association of 3,000 private enterprises (excluding state-backed firms, mass media companies and other firms which changed their settlement period).

Of the 3,000 firms surveyed, manufacturing firms accounted for 65.1 percent or 1,952 in 1990, off 83 from 67.8 percent or 2,035 in 1989.

The manufacturing industry's share in the combined turnover of the 3,000 enterprises dipped by 0.65 percentage point from 51.25 percent (107.4 trillion won) in 1989 to 50.6 percent (128.5 trillion won) in 1990.

On the other hand, service industries, such as construction, wholesale and retail trade and banking and financing business, showed a rise in 1990 in the number of firms and the share in turnover.

The number of construction firms rose from 287 in 1989 to 340 in 1990, and the share of construction firms in overall turnover rose from 7.1 percent (14.8 trillion won) in 1989 to 8.18 percent (20.7 trillion won) in 1990.

The combined turnover of the 3,000 enterprises in 1990 amuonted to 253,713 billion won, up 20.8 percent from a year earlier.

However, the net profits of the 3,000 enterprises decreased by 8.86 percent from 5,220.2 billion won in 1989 to 4,757.7 billion won in 1990.

The average turnover per firm of the 3,000 enterprises in 1990 of the 3,000 enterprises in 1990 was 84.6 billion won and the average net profit for each firm reached 1,586 million won.

Of the total surveyed, 35 firms had 1990 turnover of more than one trillion won, up seven firms from a year earlier.

Samsung Co. posted turnover of 7,950 billion won in 1990, up 4.45 percent from a year earlier, thus heading the list of 3,000 enterprises for the sixth consecutive year.

Among manufacturing firms, Pohang Iron & Steel Co. (POSCO) led with its 1990 turnover reaching 4,805 billion won.

In 1990, Asia Motors, Hyundai Industrial Development and Goldstar Cable were newly added to the list of the top 50, while Hyundai Merchant Marine and Samsung Electron Devices were removed from the top 50 list.

Among enterprises newly added to the top 100 list in 1990 were IBM Korea, Hanshin Construction, Union Steel and Ankuk Fire & Marine Insurance, while Taihan Electric Wire, SKC, Hanil Synthetic fiber Ind., Pacific Chemical, Kangwon Industrial and Goldstar Information & Communications were removed from the top 100 list.

By business group, the Samsung Group had 12 affiliates in the top 100 list, followed by the Hyundai group with 11, the Lucky-Goldstar Group with eight, the Daewoo Group and the Sunkyong Group each with five, and Hyosung, Ssangyong and Dongbu each with three.

The 1990 turnover increase rates were 19.4 percent for the manufacturing industry, 39.4 percent for construction firms and 47.9 percent for the service industry.

During the year, 37 firms recorded turnover growth rates of more than 100 percent. Sampoong Construction topped the list, followed by Nestle Korea, Sukwang Corp. and Samyang Metal.

The number of private enterprises which posted net profits of more than 100 billion won decreased from five in 1989 to only two (Korea Electric Power Corp. and Korea Telecom) in 1990.

The number of private firms which posted net profits of more than 10 billion won fell from 108 in 1989 to 99 in 1990.

Private firms which moved from a loss in 1989 back into a black in 1990 numbered 187, while the number moving from a profit to a loss stood at 195.

The net profit rate for the 3,000 enterprises was 1.87 percent in 1990, off sharply from 2.49 percent reported in 1989.

In particular, the average net profit rate in 1990 was only 1.45 percent for the manufacturing industry, compared with 3.99 percent (in 1990) in the United States and 9.04 percent (in 1989) in Taiwan.

Except for banking and insurance firms, those firms whose ratio of net profit to turnover was more than 20 percent each numbered only 12 in 1990. Among the 12 firms, Asia Paper Mfg. topped the list with an increase of 56.79 percent, aided by the sale of its plant site.

Among banking and insurance firms, Pusan Investment & Trust Co led with growth of 36.01 percent, followed by Kwangju Investment & Trust Co. with 35.4 percent, Taegu Investment & Trust Co. with 28.4 percent, Dong-Ah Investment & Trust Co. with 27.1 percent, and Shinhan Investment & Trust Co. with 26.8 percent.

The combined assets of the 3,000 private enterprises were estimated at 467,331.7 billion won, showing an average of 155.8 billion won, up 13.2 percent from a year earlier.

Of the combined assets, those held by banking and insurance firms accounted for 49.9 percent or 233.2 trillion won, and those by manufacturing firms for 30.2 percent or 141.2 trillion won.

In overall assets (except for those held by banking and insurance firms), Korea Electric Power Corp. was placed first with 13.8 trillion won, followed by POSCO with 9.8 trillion won, Korea Telecom with 7.7 trillion won, Hyundai Motor with 4.7 trillion won and Samsung Electronics with 4.5 trillion won.

Among banking and insurance firms, Korea Exchange Bank was placed first with its assets reaching 21.9 trillion won, followed by Commercial Bank of Korea with 16.6 trillion won, Korea First Bank with 16.5 trillion won, ad hanil Bank with 15.6 trillion won.

Those corporations which have more than one trillion won worth of assets numbered 71, including 41 banking and insurance firms.

Of the 3,000 enterprises, 100 top-ranking firms accounted for more than 50 percent of turnover, net profits and assets, the survey showed.

The top 100 firms scored 134.8 trillion won in turnover in 1990 which accounted for 53.2 percent of the 1990 combined turnover of the 3,000 enterprises.

These 100 corporations also posted net profits of 2,620 billion won in 1990 which accounted for 55.3 percent of the 1990 combined net profits of the 3,000 enterprises.

In 1990 the assets of these 100 firms reached 269.6 trillion won which accounted for 57.7 percent of the 1990 combined assets.

Top 50 Enterprises With Higher Turnover Growth Rates

Rank	Name	Growth rate (%)
1.	Sampoong Constr. Ind	434.80
2.	Nestle Korea	357.49
3.	Sukwang Corp.	297.27
4.	Sam Yang Metal Co.	284.98
5.	Julia Ltd.	273.91
6.	Shinwon Development Constr.	260.14
7.	Daewoo Automotive Components	235.28
8.	Daedong Housing & Constr.	232.52
9.	Dongsung General Constr.	206.70
10.	Hankook Digital	188.67
11.	STC Corp.	186.83
12.	Hanyang Metal Ind.	176.37
13.	Hundai Motor Service Co.	175.15
14.	Keangnam Enterprises	174.68
15.	Kumkang Shoe Mfg. Co.	165.75
16.	Asiana Airlines	154.85
17.	Dongshin Housing & Constr.	151.88
18.	Kefico Corp.	151.00
19.	Kum Sung Publishing Co.	144.35
20.	Kum Kang General Constr.	141.58
21.	A-ju Industrial Co.	137.25
22.	Samick Ceramic Co.	136.78
23.	Hanjin General Constr.	134.54
24.	Chung Gu Housing & Constr.	133.33
25.	Dongbu Chemical	130.49
26.	Samsung Winners Card	126.52
27.	Tae Il Media Co.	126.30
28.	Kong Yung Constr.	125.71
29.	Heain Corp.	125.57
30.	Lucky Advanced Materials Ind.	121.79
31.	Samsung Engineering	118.60
32.	Seki Constr.	117.83
33.	Sam Yoon General Constr.	114.70
34.	Pohang Steel Industries	109.05
35.	Taejon Life Insurance	105.43
36.	LG Credit Card Co.	101.50
37.	Kangsan	100.94
38.	Isu Chemical	99.78
39.	Korea Mobile Telecomm.	97.92
40.	Dong Hyun Constr.	95.17
41.	Kun Young	94.62
42.	Hyosung Motors & Machinery	94.46
43.	Youngdong Petroleum	92.47
44.	Daelim Engineering	92.39
45.	Koryo Cement Mfg. Co.	90.73
46.	Ottogi Foods Co.	90.73
47.	Duck San Const.	90.66
48.	Dae Kyo	90.30
49.	Samick Constr.	89.99
50.	Dae Yang Industrial Co.	89.82

Top 30 Enterprises With Higher Net Profit Ratios

Rank	Name	Ratio (%)
1.	Asia Paper	56.79
2.	Tongdaemun Market	52.79
3.	Do Tu Rak Ltd.	40.13
4.	Dong Yang Express Ferry	39.42
5.	Dong Ah Electric Co.	28.22
6.	Han Mi Mold & Tool Co.	27.29
7.	Korea Mobile Telecomm.	27.28
8.	Korea GMB Ind.	24.68
9.	Cyanamid Medical Device	23.30
10.	Coca Cola Korea	21.70
11.	Molex Korea Co.	20.82
12.	Festo Korea Co.	20.64
13.	Jeong Suk Co.	19.85
14.	Taejon Tourism Development	19.21
15.	Il Shin Chemical Co.	18.44
16.	Dong Oh Chemical	17.59
17.	Dan Am Ind.	17.00
18.	Daesung Sanso Co.	17.10
19.	Daewoo Precision Ind.	17.08

Top 30 Enterprises With Higher Net Profit Ratios (Continued)

Rank	Name	Ratio (%)
20.	TMC	17.06
21.	Bukwan Ferry	16.63
22.	Johnson & Johnson, Korea	16.29
23.	Heain Corp.	16.14
24.	Korea Spirax Sarco	15.89
25.	Daehan Silo	15.38
26.	Woo Jin Ind.	15.31
27.	Underwood	14.95
28.	Royal Toto Metal Co.	14.93
29.	Dongyang Piston	14.87
30.	Western Digital Korea	14.83

Cambodia

Joint UN-Agencies Team Arrives in Phnom Penh

BK3110071691 Phnom Penh SPK in French 0424 GMT 31 Oct 91

[Text] Phnom Penh 31 Oct (SPK)—A mission of joint UN agencies arrived in Phnom Penh this morning to assess Cambodia's pressing and immediate needs, especially concerning food, housing, drinking water, and sanitation.

The team, led by Dennis McNamara, Bangkok-based deputy special representative of the UN secretary general in charge of humanitarian aid program for Cambodia, is composed of the representatives of OSRSG [expansion unknown], ESCAP [Economic and Social Commission for Asia and the Pacific], FAO [Food and Agriculture Organization of the United Nations], ILO [International Labor Organization], UNDP [UN Development Program], UNESCO, UNHCR [UN High Commissioner for Refugees], UNICEF, WFP [Wold Food Program], and WHO. The mission will meet the responsible cadres of the Ministries of Foreign Affairs, Planning, Agriculture, and Trade, as well as those of the General Directorate of Construction. It will be able to contact on 14 November [as received], the time when Prince Norodom Sihanouk, chairman of the Supreme National Council, will be installed in the Cambodian capital city.

UN Expert Speaks About Election in Cambodia

BK3110072691 Phnom Penh SPK in English 0437 GMT 31 Oct 91

[Text] Phnom Penh SPK Oct. 31— Ron Gould, a U.N. election expert of Canada, said that the election campaign in Cambodia was different from that in Namibia where the United Nations supervised the election, without being responsible for the organization and arrangement of the polls and registration. He said that the United Nations would conduct elections in Cambodia in accordance with the U.N. Plan.

Ron Gould, who led a 20-member team of the United Nations to Cambodia, said: "it's the first time that the U.N will carry out the complete election process." He said: "we hope that to accomplish this objective is to watch the election system, the plan that will be possible for organizing and carrying out elections." [sentence as received]

Ron Gould said he thought there would be many Cambodian election officials from different factions [words indistinct]. Ron Gould said "one of the important elements of the elections is that every Cambodian citizen aged 18 or over has the right to vote."

The U.N. official, who left here for Bangkok Wednesday, said some of the group would go to site (?8) refugee camp in Thailand to meet officials and refugees there on refugee repatriation. He said: "we have to know the population in each province and where the refugees will go because the vote is proportional by provinces."

Radio Deputy Director Meets UN Team 28 Oct

BK3010041291 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 29 Oct 91

[Text] On the morning of 28 October, Van Sunheng, deputy director of the Samleng Pracheachon Kampuchea Radio, held talks with a UN team led by (Waram Belly) on a mission to study the Cambodian radio and television news broadcast networks.

Van Sunheng told the delegation that the conditions of the radio equipment currently being used, which is left over from previous regimes, are deteriorating. He pointed out that we have been facing many difficulties due to a lack of funds and technical capabilities, but, with assistance from friendly countries in conjunction with the efforts displayed by the station's cadres and staff, the radio and television have, all the same, managed to continue out their news broadcasts, albeit at a slow pace. The Cambodian radio deputy director pointed out that, although our broadcasts have been operating without interruption, our station is not yet powerful enough to reach remote areas in the northeast and the Cambodian-Thai border.

'New Life Democratic Party' Issues Platform

BK3110083091 Hong Kong AFP in English 0805 GMT 31 Oct 91

[By Sheri Prasso]

[Text] Phnom Penh, Oct 31 (AFP)—Cambodia's first new opposition party chose Prince Norodom Sihanouk's birthday Thursday to announce a campaign to get Sihanouk out of day-to-day politics and to execute Khmer Rouge leaders for genocide crimes.

"If people want justice, they will vote for us," Cambodian-American Vanna Om Strinko told AFP before announcing her New Life Democratic Party's platform at a birthday party for Prince Sihanouk.

The prince—who heads Cambodia's Supreme National Council (SNC) grouping four warring factions who signed a peace plan October 23—celebrated his 69th birthday at his home in Beijing. He is to return here November 14.

"The old political parties have deliberately betrayed the trust of the people," Strinko said. "They have entered into an unholy alliance to rob the people and this nation of its wealth and dignity," she said. "A vote for them is a vote for abuse of power, injustice and corruption."

The New Life Democratic Party's main platforms include bringing Khmer Rouge leaders to trial for war crimes during their reign from 1975 to 1979 and executing them if they are convicted.

Strinko said the Phnom Penh government is guilty of collaboration with those who caused the Cambodian people the most suffering. "My God, they're bringing in people who murdered three million people," including seven of her own family members, Strinko said. "We cannot forget it." She fled to the United States days before the Khmer Rouge took over the capital in 1975, and cannot recall those days without breaking down into tears.

The death toll from the Khmer Rouge reign is disputed, with estimates ranging from hundreds of thousands to three million. "They (the Khmer Rouge) can do it again," she said. "What's going to ensure that they don't," she asked.

The peace plan signed by the Phnom Penh government and the three-sided alliance between Prince Sihanouk, the Khmer Rouge and a third faction, invites leaders from all sides into Phnom Penh. Together they form the SNC under United Nations supervision until elections can be held in 1993.

The New Life Democratic Party also calls for making Prince Sihanouk a titular head of state modeled on the governments of England, Japan or Thailand. "This means that the prince will be king without too many real political powers," the party platform reads.

The government, led by Prime Minister Hun Sen, wants to make Prince Sihanouk its president, with as-yet undefined powers. But Strinko said that while Cambodia needs Prince Sihanouk as a figurehead, "if he is president, there is not going to be peace and stability."

Strinko declined to say how many people were members of her party, but one political insider here said that, as an outsider, Strinko was having trouble gathering support. Strinko has spent one month in Phnom Penh meeting with potential members of her opposition group. She plans to leave Saturday on a fund-raising trip to the United States and Europe, and return in January.

"There is an explosive atmosphere here," said the source, who declined to join the new party. "Everyone is afraid of the government."

Rumors abound here about people being arrested for trying to form political groups, but none could be confirmed. The Phnom Penh government only two weeks ago announced that it was accepting multi-party democracy.

"People are afraid," Strinko admitted. "They see Hun Sen on TV saying we have freedom, reform, but they think it is reform only on paper. They want to join (us), but they are waiting for the U.N. ... When the U.N. comes in there won't be fear anymore."

She said several people close to Hun Sen were very interested in breaking away from the Cambodian People's Party, but that they were awaiting a strong U.N. presence before declaring their new alliance. Strinko anticipated a membership roll of 500 people by her return in January and 20,000 by the election in 1993.

The new party also claims land reform as part of its platform, in which the government would buy land from rich farmers and give it away to poor farmers.

Official Admits Imprisoning Pen Sovan

BK3110113591 Hong Kong AFP in English 1121 GMT 31 Oct 91

[Text] Phnom Penh, Oct 31 (AFP)—A Phnom Penh government official admitted for the first time Thursday that a top government leader who disappeared 10 years ago was a political prisoner. Pen Sovan—who used to be commander of the army, vice president of the state council and communist party secretary general—disappeared quietly in December 1981.

"You could say that he was a political prisoner," Hor Sothun, deputy director of the press department at the Ministry of Foreign Affairs, told foreign journalists. "I am convinced he will be released," he added.

This government has promised to release all political prisoners in line with a peace agreement ending Cambodia's 13-year civil war. "Most political prisoners have been released," Hor Sothoun said.

When Pen Sovan was removed from his posts, the move took foreign analysts by surprise and the motives behind it have never been made clear. However, British historian Michael Vickery wrote a book in which he refuted a theory in the media at the time that Pen Sovan was too anti-Hanoi in a government installed and supported by Vietnam. "But I've not been able to come up with another theory," the author told AFP.

Several reports say Pen Sovan was whisked away to Hanoi. If the former leader had been able to maintain some support in his absence, he could pose a threat in this government's newly liberalized multi-party system, Vickery said. Hor Sothoun's admission that Pen Sovan was a political prisoner is the first official word on his disappearance, Vickery said.

Chea Sim, Heng Samrin Praise Sihanouk

BK3110055691 Phnom Penh SPK in English 0431 GMT 31 Oct 91

[Text] Phnom Penh SPK October 31—The chairman of the Cambodian People's Party said that his party highly valued Prince Sihanouk's contribution to peace and national reconciliation in Cambodia.

In his greetings to the 69th birthday of the prince, who is president of the Supreme National Council (SNC) of Cambodia, Chea Sim said: "We are ready to warmly welcome samdech's return and believe that a bright future is waiting the Angkor Land".

In a separate letter to Prince Sihanouk, President Heng Samrin said: "I'm convinced that you will succeed in your royal mission to bring about peace, national reconciliation and national development in the near future".

Chea Sim Receives German Businessmen 24 Oct

BK2810063391 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 28 Oct 91

[Text] On 24 October in Phnom Penh, His Excellency Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and of the National Assembly, granted an audience to a group of businessmen representing various large German companies, such as [words indistinct] of the German-Thai Trading Company; and Mr. (Peter), director of the German Association for Asian and Pacific Region.

On that occasion, His Excellency Chea Sim spoke about the CPP's new political program approved at the recent extraordinary national congress in conformity with the concrete situation, the noble interests of the nation, and the people's aspirations, and in line with the current world trend. Concerning the economic system, the CPP pursues a free-market economic system by allowing freedom in [words indistinct]. The state ensures the right to current ownership of land, houses, property, and means of production; guarantees not to engage in nationalization; promotes the circulation of goods throughout the country; and liberalizes investments both inside and outside the country and the link between domestic and foreign markets. At the same time, the CPP has ensured foreign companies which have had trade contacts with the State of Cambodia of its existing commitments to them and its preparation to establish comprehensive relations with countries around the world for the benefit of social development in Cambodia.

His Excellency Chea Sim also spoke on the natural disasters due to flood in a number of provinces, causing the people to suffer shortages of food and shelter. In this immediate period, the State of Cambodia's Government [words indistinct] building and repairing communications lines. It is in need of farming equipment and necessities, such as rice strains, fertilizer, and food supply, for ensuring production work in the coming period after the floods receed.

In reply, the group of businessmen representing large German companies expressed warm congratulations to the State of Cambodia's Government over the recent signing of the peace accord in Paris, signifying the end of the civil war among the Cambodian factions and bringing genuine peace to the Cambodian people.

The German side also pledged to expand trade cooperation between the two countries, Germany and the State of Cambodia, for mutual benefit.

Hungarian Firm Signs Oil Exploration Accord

BK3010060291 Phnom Penh SPK in English 0502 GMT 30 Oct 91

[Text] Phnom Penh SPK October 30—The Government of the State of Cambodia and the Hungarian "NAWA" oil company concluded an agreement on oil exploration in Phnom Penh Monday. The agreement was signed by Industry Minister Chan Phin and general director of the "NAWA" oil company, Lasco Wappler.

This was the second oil exploration greement between the Cambodian Government and a foreign oil company. The first contract was signed here in early October between Cambodia and the British company Enterprise Oil and EEP of France.

The "NAWA" oil company has been licensed to prospect for oil in two blocks: black five covering 5,300 square kilometers and block seven 7,300 square kilometers. The Hungarian company also wants to cooperate with Cambodia in oil refinery and in the exploration gas and precious metals.

Say Chhum Receives Outgoing Lao Ambassador

Envoy Thanks for Assistance

BK3110023091 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 30 Oct 91

[Text] On the afternoon of 29 October, His Excellency Thongsoukkhoun Phuonsavat, outgoing extraordinary and plenipotentiary ambassador to Cambodia of the Lao People's Democratic Republic paid a courtesy visit to bid farewell to Mr. Say Chhum, member of the Standing committee of the Cambodian People's Party [CPP] Central Committee and standing vice chairman of the Council of Ministers. His Excellency Thongsoukkhoun Phuonsavat expressed pleasure with his successful mission in Cambodia, saying the achievement had been made thanks to the Cambodian party, government, and people who had provided him with every assistance and favorable conditions. The Lao ambassador pledged to work to contribute to further strenthening and developing the time-honored relations of solidarity, friendship, and cooperation between the two governments and peoples upon his return home.

Mr. Say Chhum replied he was very pleased with His Excellency Thongsoukkhoun Phuonsavat's efforts to make his mission in Cambodia a success. He also briefed his guest about the results of the CPP's extraordinary national congress, developments in the process of seeking a political solution to the Cambodian problem, and in particular the signing in Paris of the peace accord on Cambodia by the Cambodian parties on 23 October.

Say Chhum wished the Lao ambassador and, through the latter, the Lao party and government leaders as well as the Lao people the best of health, hearty physical strength, and the wisdom needed to successfully rebuild and defend the Lao motherland and advance it toward prosperity.

Supports Political Reform

BK3110061891 Phnom Penh SPK in English 0433 GMT 31 Oct 91

[Text] Phnom Penh SPK October 31—The Lao ambassador to Cambodia has voiced full support for the new platform and statute adopted by the Cambodian People's Party at its recent extraordinary national congress. During his farewell visit Tuesday to Chea Sim, chairman of the CPP Central Committee, Thongsoukhoun Phounsavan welcomed the signing of the peace traaty by the Khmer warring factions, saying that the Lao party, government and people considered this success their own.

The Lao diplomat, whose term of office is to expire after two years, appreciated the efforts of the CPP in leading the Cambodian society towards all-sided development. "The solidarity and friendship between the parties, governments and peoples of our two countries will be always consolidated, the Lao diplomat said. Thongsoukhoun Phoumsavan expressed profound thanks to the Cambodian party and government for their assistance to his diplomatic mission in Cambodia.

Chea Sim, who is also chairman of the National Assembly, praised the Lao diplomat's efforts in fulfilling his mission which, he said, reflicted the consolidation of friendship relations between Cambodia and Laos. Chea Sim asked the Lao diplomat to convey his best compliments to H.E. Kaysone phomvihan, chairman of the Lao People's Revolutionary Party Central Committee; and all other Lao party and government leaders.

Receives Medal From Heng Samrin

BK3110074491 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 31 Oct 91

[Text] On the afternoon of 30 October at the Council of State office, His Excellency Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the State of Cambodia's Council of State, conferred the second class labor medal on His Excellency Thongsoukkhoun Phuonsavat, outgoing ambassador extraordinary and plenipotentiary of the Lao People's Democratic Republic to Cambodia.

On that occasion, His Excellency Heng Samrin stressed that the State of Cambodia's party and government regarded His Excellency Thongsoukkhoun Phuonsavat as a person who had worked to strengthen the traditional relations of solidarity and friendship and cooperation between the two parties, governments, and peoples. He added that, faced with the current political situation, the extraordinary national congress of the CPP had rectified some issues and introduced a political platform to comply with the people's aspiration and interests. His Excellency Heng Samrin also stressed [passage indistinct] of the State of Cambodia's government in the search for a political solution to the Cambodian problem by signing a peace accord in Paris on 23 October.

His Excellency Thongsoukkhoun Phuonsavat thanked the party and government of the State of Cambodia for having provided him with favorable conditions, making the performance of his mission a success. He reaffirmed that the Lao party, government, and people welcomed and endorsed the leadership of the State of Cambodia's party and government and highly valued the signing of the peace accord on Cambodia, considering this a significantly important step toward redeveloping Cambodia.

Kompong Cham Delegate Speaks at Party Congress

BK3010090591 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 29 Oct 91

[Address by Hun Neng, delegate of Kompong Cham Province's regional party committee, at the recent extraordinary national congress of the Cambodian People's Party—recorded]

[Text] The extraordinary national congress is an event of vital significance for the political life of our Cambodian party and people. It is also the finest foundation on which our determination and future efforts are based.

After studying and analyzing the substance of the two draft documents presented by the party and after listening carefully to the address made by His Excellency Hun Sen, chairman of the State of Cambodia's Council of Ministers, we wish to voice with the highest optimism our unanimous endorsement and support for the draft political program, which is significantly fundamental for the formulation of the CPP's new draft political platform and statute in keeping with the current situation and the spirit of the political program. It is true that, to further enhance the supremacy of the State of Cambodia's force with the aim of achieving its ultimate goal, the nature of the leadership should be necessarily changed to adapt to the new situation, which is presently in our favor.

The liberalization policy in the economic, social, cultural, and diplomatic fields, as defined in the party's political platform, embodies the principles that have further solidified all the policies already put forward by the fifth party congress and the second national congress of the cadres. It fully shows our party's ideal, position of mastery, wise leadership, and high sense of responsibility toward our history. This policy has been formulated in conformity with our Cambodian people's supreme interests and aspirations and in line with the prevailing international trend and seeks to preserve the national gains, protect the people's lives, and prevent the recurrence of the past catastrophe, thereby restoring peace, security, freedom, and genuine democracy to the Cambodian people and enabling them to rebuild the motherland and advance it toward prosperity.

Finally, on behalf of Kompong Cham Province's regional party committee, state authorities, and people, we wish to enthusiastically applaud and welcome the great success that the extraordinary national congress has achieved. May the presidium, the honorary guests, and all the delegates have the best of health and achieve every success in the implementation of this supreme historic task.

Indonesia

East Timor Rebel Fighters Reportedly Surrender

BK3010122491 Melbourne Radio Australia in English 0803 GMT 30 Oct 91

[From the "International Report" program]

[Text] Indonesia claims 150 Fretilin [Revolutionary Front for an Independent East Timor] guerrillas have surrendered to troops in the province of East Timor. The claim comes close on the heels of international headlines over the East Timor issue following reports that two pro-independence supporters had been killed in the East Timor capital, Dili, on Sunday. From Jakarta, here is Ian McIntosh.

[Begin McIntosh recording] A front-page story on this morning's edition of the English language JAKARTA POST quotes the military commander in East Timor, Brigadier General Warouw, as saying that 150 Fretilin members had voluntarily come out of the jungle and surrendered to the Indonesian Armed Forces. The report gave no details of when the surrenders happened nor did it identify any of those involved. According to the JAKARTA POST, Brig. Gen. Warouw said those who have given themselves up expressed deep regret adding "many cried when they found out that they were well-treated by the Armed Forces."

The report quoted the military commander as saying that the people involved had wrongly thought they would be killed. He went on to say "those who surrender will be given out (?wages) for periods from a few months to a year before their return into society, that is provided the local people are willing to accept them." Brig. Gen Warouw said those not accepted will be offered a planting settlement although he did not say where.

If the details contained in the JAKARTA POST report are confirmed, the announcement would represent a serious setback for Fretilin, which have been waging a guerrilla struggle against Indonesian rule in the former Portugese colony for almost 16 years. Various diplomatic sources here have estimated the Fretilin fighting forces, now more than a few hundred although other estimates have put it at several thousands.

In the same newspaper report, Brig. Gen. Warouw said that the military had stepped in to stop fighting outside the Mutail Church in Dili two days ago during which two men were killed. He said 50 people had been detained after what was described as a brawl and 18 of them were still being held. The newspaper quoted him as saying that the Roman Catholic Bishop of Timor, Carlos Belo, who arrived at the scene, gave the military permission to search the church and the house. The military commander said those arrested will be treated in accordance with their conduct in creating public disorder, no one (?is amend) from the law he added.

Information reached in Jakarta from other sources claims the troops stormed the church during the early morning incident and like overseas reports also states that shots were fired. In spite of the claims, Indonesian military spokesman have repeatedly denied that any shooting took place. [end recording]

Commander Vows To Punish E. Timor Brawlers

BK3010092091 Jakarta ANTARA in English 0800 GMT 30 Oct 91

[Excerpts] Dili (E. Timor), Oct. 30 (OANA-ANTARA)—Chief of the East Timor Operational Command Brig. Gen. R.S. Warouw has stated that he was determined to file suit against those taking part in a brawl involving an anti-Indonesia group in the 27th province of Indonesia early Monday. He told a press conference Tuesday afternoon that 40 people were questioned following the incident and all but 18 had since been released.

"No one is immune from the law," he said.

The incident, which killed two and seriously injured one, began at about 0218 Central Indonesia Standard Time (Wita) when a group of youngsters pelted two passers-by from a house next to the Mutail Church. The passers-by then immediately returned with their friends, turning the area in and around the church into the scene of a riot. The two killed in the incident were Alfonso and Sebastiao Gomez.

According to Warouw, the police who rushed to the site of the incident managed to put everything under control in a short time and with a permission from the Dili bishop, Carlos Filipe Ximenes Belo, they entered the Mutail Church to arrest 40 hiding youngsters suspected to be the "initiators" of the brawl.

Also arrested was Aliong who had been a fugitive for a week after escaping from the Dili Correctional Institution. Two years ago he was reported to play a role in the riot during the visit of Pope John Paul II here.

The police then also confiscated knives, brochures containing anti-Indonesia campaign, Fretilin (Frente Revolucionaria de Timor Leste Independente) banners, flags of Portugal, and batons.

Fretilin is a small band of poorly armed trouble makers in the predominantly- Catholic East Timor.

After a series of investigation, Warouw went on, the police found out that there were some anti-integration figures as well among the brawlers.

East Timor, the former colony of Portugal, integrated with Indonesia in 1976.

Warouw also said that the Indonesian Armed Forces (ABRI) would not be reluctant to deal with any attempts to disturb peace and order in the youngest province of Indonesia.

"Therefore, anyone found guilty in the early Monday brawl will face charges in accordance with the existing laws and regulations," Warouw said.

About the postponed visit of the Portuguese Parliament delegates, which previously was scheduled to begin on November 4, he said "whether they will come or not, it's no problem for us or the people of East Timor."

One thing for sure is, he said, that development activities in the province will continue in line with the national five-year development plan (Pelita) scheme to increase the welfare of all the East Timor people. [passage omitted]

In Jakarta, House members Wednesday called for thorough investigation of the incident.

The MPs, Marzuki Darusman, Clementino dos Reis Amaral, and Salvador Ximenes Soares—both are native East Timorese—shared the opinion that thorough investigation was important to find out what really caused the incident which reportedly involved an anti- Indonesia and anti-integration group.

Darusman, member of the House's Foreign Affairs Commission said "it's true that integration process in East Timor has finished. However, it does not mean that the province is now problem-free.

"For example, whether we like it or not, the international community now tends to see the problems there as related to human rights and no longer decolonization process only," he said.

Therefore, despite progress in development activities, the government must also make a lot of campaigns that human rights were really upheld there, Darusman who is often described as one of the most outspoken house members said.

"Strong supports of public relations (PR) works abroad are all we need now," he said.

About Brig. Gen. R.S. Warouw's endeavor to maintain peace and order in East Timor, he said it should be praised.

Darusman in particular referred to Warouw's policy of inviting family members of ABRI officers posted in East Timor to also stay in the province.

Through such a policy, the word integration would have a "solid" meaning, he said adding that despite reports that Brig. Gen. Warouw would soon leave for a new post, it would be good if his successors maintained his policy.

Meanwhile, Clementino dos Reis Amaral said that the government should post officials with high skills and capability in East Timor so that they could apply a persuasive and wise method to ask those influenced by the anti-Indonesia and anti-integration group to take part in development programs benefitting all the East Timorese. He also called for efforts to provide more job opportunities for the younger generation [words indistinct].

Journalist List for Portuguese Visit Reconsidered

BK3110121191 Jakarta ANTARA in English 1145 GMT 31 Oct 91

[Text] New York, Oct 31 (OANA-ANTARA)—Names of international journalists to cover the visit of Portuguese parliamentarians to East Timor would be informally discussed again and the UN secretary general has also expressed the hope that the discussion would bridge differences between Indonesia and Portugal concerning the visit, a spokesman for the secretary general said here Wednesday.

Portugal recently decided to postpone the visit of its parliamentarians to the 27th province of Indonesia because Indonesia had rejected one of the six international journalists that it recommended to be included in the delegation.

Indonesian Foreign Minister Ali Alatas commenting on the postponement said that based on the UN-supervised agreement between Indonesia and Portugal in New York, each of the two countries could name six international journalists to cover the event, and each could also raise objections about them.

Alatas also said that the journalist rejected by Indonesia, Jill Jolliffe, was merely a crusader and propagandist for the Fretilin, a poorly-armed trouble makers group in East Timor.

East Timor integrated with Indonesia on July 17, 1976 after the Portuguese colonial government left a time bomb in the form of civil wars that turned East Timor into a terrible mess two years earlier.

Secretary General Javier Perez de Cuellar has also called on the Indonesian and Portuguese Governments to review their respective stance by taking into consideration all the preparations which have been conducted for the visit, the spokesman said.

The Portuguese parliament delegation previously was scheduled to start their 12-day trip to East Timor on November 4.

Indonesia hoped that with the visit the so-called East Timor issue could be settled once and for all.

Jill Jolliffe, the journalist that Indonesia objected to, first visited East Timor in 1975 as a student of the Australian National University (ANU) together with several friends from other higher learning institutions in the country.

Later she quitted ANU and worked for the Australian Associated Press (AAP) as a correspondent in Dili, the capital of East Timor.

After leaving AAP, she became a Darwin-based correspondent of the Age daily in Melbourne.

In 1978 she wrote the 362-page *East Timor: Nationalism and Colonialism* in which she exaggerated the role and rights of the Fretilin to determine the future of East Timor.

Now she is a freelance journalist based in Lisbon and still frequently writes for the Age.

Information Cooperation With PRC Upgraded

BK3010141091 Jakarta ANTARA in English 1327 GMT 30 Oct 91

[Text] Jakarta, Oct. 30 (OANA-ANTARA)—A member of parliament said here on Wednesday that Indonesia-China information cooperation should be carried out with an open attitude so that the peoples of the two countries could enjoy the benefit of the cooperation.

Commenting on the results of Information Minister Harmoko's visit to China, Zamharir of the House Foreign Affairs and Information Commission said that information cooperation between Indonesia and China would bring positive results in many fields, especially in the economic field.

Upon his arrival from Beijing on Tuesday, Harmoko pointed out that Indonesia would soon establish information and communicaton ties with China aimed at fostering mutual understanding between the two nations.

For the first phase of the cooperation, the minister said China would shortly open a bureau for its news agency XINHUA in Jakarta, while ANTARA news agency of Indonesia will open a representative office in Beijing next year.

The two states are also exploring possibilities for exchange of news through broadcasts in Mandarin by Indonesian radio RRI [Radio Republik Indonesia] and in Indonesian language by Chinese radio.

Zamharir hoped that Indonesia would make use of the Chinese potential in its cooperation with the latter for the sake of increasing the economies of the two states.

The legislator said that China with its population of one billion is a potential market for Indonesia.

The cooperation, he said further, would also increase the understanding of the people of China on Indonesia.

Suharto Meets PRC Islamic Delegation 30 Oct

BK3010153791 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 30 Oct 91

[Text] A Chinese Islamic Association delegation is deeply impressed by the national unity, cohesion, and religious harmony in Indonesia. Ilyas Xen Xiajie, chairman of the Chinese Islamic Association, said after meeting President Suharto at the Bina Graha Presidential Office this afternoon that the Chinese Islamic delegation had this impression during a goodwill tour of West Java, Central Java, the Yogyakarta Special Region, and East Java. The chairman of the Chinese Islamic Association said religious development in Indonesia was good. This is evident in the number of religious books and the training of Muslim youths as development cadres in Islamic boarding schools in Indonesia.

President Suharto briefed the Chinese Islamic delegation accompanied by Hasan Basri, chairman of the Indonesian Ulemas Council on religious life, development programs, and national unity and cohesion in this country which is based on Pancasila.

SRV Premier Requests Family Planning Aid

BK2610095891 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 26 Oct 91

[Text] SRV Prime Minister Vo Van Kiet hopes Indonesia will be able to send its experts to Vietnam to research for a suitable family planning program for that country. The SRV prime minister expressed his hope in Jakarta yesterday after he was given a briefing on Indonesia's family planning program by Haryono Suyono, chief of the National Family Planning Agency, who added that the success of the program was attributed to the strong support given by President Suharto as well as religious and community leaders.

Speaking to reporters in Jakarta last night, Haryono Suyono said the SRV head of state's request will be met upon President Suharto's approval. Meanwhile, Vietnam's request for its officials to take part in the international training program organized by the National Family Planning Agency will be granted soon. Indonesia is also ready to export condoms to that country. As for other contraceptive devices, negotiations must be held first. In addition to contraceptive devices, Indonesia can also provide family planning demonstration kits.

Contraceptives To Be Sent

BK3010141491 Jakarta ANTARA in English 1323 GMT 30 Oct 91

[Text] Jakarta (OANA-ANTARA)—Indonesia is ready to send contraceptive samples to Vietnam in an effort to help the Indochinese country reduce its birth rate, Haryono Suyono, the head of the National Family Planning Coordinating Board (BKKBN) disclosed here Wednesday.

Speaking to newsmen after calling on President Suharto at Bina Graha Presidential Office to report results of his recent discussions with Vietnamese Prime Minister Vo Van Kiet here, Suyono further said the Vietnamese leader had expressed his country's willingness that Jakarta should provide technical aid to Hanoi in the field of family planning.

So far, he went on, Vietnam has sent 34 officials to study the implementation of the family planning program in the country. He also said that Indonesia was prepared to send its experts to Vietnam if there was an international donor agency which could finance the sending of such experts.

To the president, Suyono reported results of a recent population survey by the Central Bureau of Statistics.

The survey shows that four provinces—Yogyakarta, Jakarta, East Java, and Bali—have reached a balance between birth and mortality rates, he added.

Rice Imports Needed for First Time in 7 Years

BK2910110691 Hong Kong AFP in English 0359 GMT 26 Oct 91

[Text] Jakarta, Oct 26 (AFP)—Indonesia, a self-sufficient rice producer for almost seven years, will import 600,000 tonnes next month to offset a projected 2.33 percent fall in production this year, press reports said here Saturday.

"We are forced to import considering that domestic rice production will fall by 2.33 percent," the BISNIS INDONESIA daily quoted Head of the National Logistic Agency (BULOG) Bustanil Arifin as saying.

Arifin said that between November and February, the country would import a total of 600,000 tonnes, with Thailand supplying 400,000 tonnes, India 175,000 tonnes and China 25,000 tonnes.

He said the imported rice was priced at between 250 and 285 dollars a tonne and the fund to purchase them would be obtained from soft bank credits.

Arifin cited figures from the Central Bureau of Statistics (BPS) which showed that rice production this year was projected to fall to 44.70 million tonnes of unhusked rice from last year's 45.74 million tonnes.

Indonesia's rice production has been hard hit by a long drought which according to officials have ruined the harvest in at least 110,000 hectares (227,000 acres) of ricefields.

In 1984, Indonesia turned into a self-sufficient rice producer after a decade of being the world's largest importer of the crop.

Soldier Sentenced for Aiding Aceh Separatists

BK3110044291 Hong Kong AFP in English 0432 GMT 31 Oct 91

[Text] Banda Aceh, Indonesia, Oct 31 (AFP)—An Indonesian army corporal has been jailed by a military court here for seven years for aiding local separatists, military sources said Thursday.

Another eight members of the armed forces will face trial on similar charges over the next two weeks, the sources added.

On Wednesday, Banda Aceh military court found Corporal Nasir Rashid, 33, guilty of helping in fund-raising efforts for the Security Disturbing Group (GPK) Aceh, west Indonesia, which wants to set up a separate Islamic state there, the sources said.

Rashid, for whom the prosecution had asked an eight-year jail term, was discharged from the army. He said he would not appeal.

The court said Rashid has been active with the group since July 1990 and had helped one of its members to seek funds for GPK activities in Aceh, through the Aceh Merdeka (Free Aceh) movement.

Military authorities have accused Aceh Merdeka of responsibility for a series of killings and ambushes of civilians and troops over the past year.

The corporal was also found guilty of sheltering and protecting members of the Aceh Merdeka while they were in Banda Aceh, the court said.

On Thursday the military court also began the trial of police Captain Ahmad Adami, a former security chief at the state fertilizer plant in Lhokseumawe, East Aceh, accused of helping the GPK and providing them with arms and ammunition.

Court sources said the trials of another seven members of the armed forces and police, including another officer, would follow.

The seven would face several charges, including trafficking in marijuana to raise funds for GPK, they added.

Minister Warns of Possible Electricity Rationing

BK3010114991 Jakarta THE JAKARTA POST in English 25 Oct 91 p 1

[Text] Jakarta (JP)—The State Electricity Company's (PLN) capability to meet power demand in Java and Bali is at a critical point as electricity utilization has exceeded the tolerable ceiling for sustainable power generation, says the Minister of Mines and Energy, Ginanjar Kartasasmita.

"The sustainable generation capacity of PLN's power stations in Java and Bali, which are inter-connected, is 4,675 megawatts (MW) but electricity utilization has reached 4,775 MW during peak-load hours," he told reporters after meeting with President Suharto here yesterday.

Out of the 4,675 MW capacity, 1,226 MW was supplied by hydropower plants and the other 3,449 MW by alternative power stations fueled by diesel, natural gas or coal.

Ginanjar said that if such conditions continued, which forced PLN's power plants to operate at their maximum capability, for long periods, many of the plants would be damaged.

"We, therefore, appeal to electricity users, particularly industrial companies, to reduce their power utilization at peak-load hours to help lower the burden of the power plants," he said.

Ginanjar warned that PLN would likely have to ration electricity supplies in Java and Bali early next month if the rain did not come and raise or maintain the water levels of the dams supplying the necessary water for the operation of hydropower stations.

"We can economize on the use of dam water for generating electricity if we do not have to operate hydropower plants at their maximum capacities," he said.

Ginanjar said that industrial companies, could reschedule part of their work load to Saturdays and Sundays, during which electricity peak loads reached only 4,425 and 4,200 MW respectively.

He said that industrial firms in Jakarta and Tangerang, West Java, had pledged to PLN that they would reduce their use of electricity during work days and transfer part of their work to the weekend.

"We will ask companies in other areas to cooperate with PLN," he said.

He explained that PLN would be forced to operate all of its hydropower plants if demand for electricity continued to be very high.

"Operating hydropower stations at their maximum capacities will substantially lower the levels of dams supplying water for their turbines, and the water levels are now very close to their lowest- tolerable limits," he said.

The Saguling dam in West Java, for example, could only operate its hydropower plant if its water level was at least 623 meters high and "the water level is now 625.2 meters."

The water level at the Cirata dam in West Java was now 209 meters high, only four meters above the minimum level required for the operation of its hydropower plant, and the water level at the Jatiluhur dam was only 8.3 meters above the required minimum.

Ginanjar acknowledged that the little rains which fell recently was a small help "but the rain could not maintain the water levels."

Laos

Kaysone Phomvihan Greets Chea Sim on Election

BK3110103491 Vientiane KPL in English 0910 GMT 31 Oct 91

[Text] Vientiane, October 31 (KPL)—Kaysone Phomvihan, president of the Lao People's Revoutionary Party Central Committee, has sent to President Chea Sim of the Cambodian People's Party Central Committee a telegram of congratulations over his election to the top post in the party.

The telegram indicated that the election of Chea Sim to the post reflected the Cambodian people's confidence in his leadership to build Cambodia a country of independence, peace, freedom, democracy, neutrality and social progress.

The Lao party leader was convinced of the further enhanced and developed ties of friendship, solidarity and all-round cooperation between the two parties and peoples, Lao and Cambodian.

President Receives Outgoing Cambodian Envoy

BK3110040291 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 31 Oct 91

[Text] On the afternoon of 29 October, Kaysone Phomvihan, chairman of the party Central Committee and president of the republic, received Long Kem, ambassador extraordinary and plenipotentiary of the State of Cambodia to Laos, who came to bid him farewell after having completed his diplomatic mission in Laos.

During the meeting, the president and ambassador exchanged views on various issues of common interest, in particular the current developments in Cambodia. The president praised the ambassador for his diplomatic successes, which significantly contribute to the further strengthening of the existing solidarity, friendly relations, and cooperation between the Lao and Cambodian governments and peoples.

Thank-You Message Received From Estonia

BK3110072891 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 29 Oct 91

[Text] Lennart Meri, foreign minister of the Republic of Estonia, recently sent a thank-you message to the Government of the Lao People's Democratic Republic [LPDR].

The message says: The Government of the Republic of Estonia expresses its gratitude to the LPDR Government for its recognition of our significant historic decision to restore our national independence. This is recognition of the legitimate independence of the Republic of Estonia and preparation for the establishment of diplomatic relations between our two countries. We would like to take this opportunity to express our sincere thanks to the Lao president and government. With high regards.

Economic Minister Attends Czech-Slovak Reception

BK3010101291 Vientiane KPL in English 0859 GMT 30 Oct 91

[Text] Vientiane, Oct 30 (KPL)—Charge d'Affaires A.I. of the Federal Republic of Czech and Slovak to Laos Mr. Zdenek Telicka on October 28 evening hosted here a reception marking the 73rd independence day of the republic.

Mr. Phao Bounnaphon, minister of external economic relations, and members of the diplomatic corps and of international organisations in Laos were among other invited guests present at the reception.

Kaysone Phomvihan Congratulates Cuba's Castro

BK3010101091 Vientiane KPL in English 0858 GMT 30 Oct 91

[Text] Vientiane, Oct 30 (KPL)—President Kaysone Phomvihan of the Lao People's Revolutionary Party Central Committee has sent to President Fidel Castro Ruz of Cuba a telegram of congratulations over his reelection to the post of first secretary of the Communist Party of Cuba Central Committee.

Kaysone Phomvihan expressed through the telegram his conviction of the further developing traditional ties friendship and cooperation between Laos and Cuba.

Leaders Condole Indian Earthquake Losses

BK2910162291 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 29 Nov 91

[Message of condolence from Kaysone Phomvihan and Khamtai Siphandon, president and prime minister of the Lao People's Democratic Republic, to Ramaswamy Iyer Venkataraman and Narasimha Rao, president and prime minister of the Republic of India, in New Delhi—date not given]

[Text] We are saddened to have received news that there was an earthquake in northern India recently which caused great losses of life and property.

On behalf of the government of the LPDR and the Lao people and in our own names, we would like to extend our sympathy and profound condolences to your excellencies and, through you, to the Indian Government and all our Indian friends, especially the families of the victims of the disaster. We firmly believe that, with the great relief efforts made by the Indian Government and people, those losses will be alleviated, and the affected people's living conditions will be normalized soon.

Foreign Minister Returns From Paris Meeting

BK3110072491 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 31 Oct 91

[Text] On the afternoon of 30 October, His Excellency Phoun Sipaseut, deputy prime minister and foreign minister of the Lao People's Democratic Republic, and his delegation returned home after attending the international conference on Cambodian held in Paris from 21 to 23 October.

In his speech at the conference, Phoun Sipaseut said that the international conference on the settlement of the Cambodian problem was the product of efforts exerted by the Cambodian factions as well as by the international community with the intention of finding a comprehesive political solution to the Cambodian problem. The signing of the Cambodian peace accord will create conditions for the Cambodian people to gain peace and build an independent, sovereign, neutral, and united Cambodia which has good relations with all countries throughout the world, especially its neighbours. The settlement of the Cambodian problem will also significantly contribute to peace, stability, and cooperation in the region and world.

His Excellency Phoun Sipaseut, during his stay in Paris, also met with heads of delegations from various countries, such as SRV Foreign Minister Nguyen Manh Cam, Cambodian Foreign Minister Hor Namhong, U.S. Secreatry of State James Baker, PRC Foreign Minister Qian Qichen, and members of the Soviet delegation. Bilateral relations and international issues of common interest were discussed during those meetings.

Government Invests Foreign Loans in New Roads

BK3010101491 Vientiane KPL in English 0902 GMT 30 Oct 91

[Text] Vientiane, Oct 30 (KPL)—With international loans, the Lao Government is investing capital in building and expanding communication roads in various areas, especially national highways linking the north and south of the country, said Mr. Noi Indanong, deputy minister of communication, transport, post, and construction.

He said the highways will be asphalted according to the international standard and scheduled to be completed in 1996. Among the roads to be expanded and standardised are Road 13 north and south, Luang Prabang-Nam Bak Road, and Pakse-Saravane Road. The works will be conducted through international bids, now under way.

The loan for the infrastructure works are from the Asian Development Bank, the World Bank, the Monetary Fund for the Northern Europe Develomment, in addition to the Swedish grant aid for Vientiane-Pak Kading section or Road 13 south. Apart from these roads, he said, the government has also paid attention to improving the condition of other roads in northern part of the country, for instance, Roads 1, 2, 3, and 4.

First Insurance Enterprise Opened in Vientiane

BK3010101691 Vientiane KPL in English 0908 GMT 30 Oct 91

[Text] Vientiane, Oct 30 (KPL)—The Lao National Insurance Company, the first of its kind in the Lao PDR [People's Democratic Republic], on October 28, opened its headquarters in That Duan area. Participating at the reception to inaugurate the office were many officials from the government and foreign institutions concerned.

Mr. Boutsavong Souvannavong, deputy minister of economy, planning, and finance, who is president of the administrative council of the company, said in his opening address that this kind of company was the first established with the cooperation of the French insurance company in the Lao PDR following the promulgation by the Lao Government a series of laws.

The revolving capital for the business amounts to U.S.$2 million. This was to perform civil insurance work. Some customers have already registered with the company their assets and properties for insurance against losses. The future service to customers covers all types of insurances such as insurance against losses to buildings, shelters, goods movement, and individual accidents, fire, all risks, construction works among others.

Philippines

Aquino Orders Rebel Peace Talks Be Continued

HK3110033191 Quezon City MALAYA in English 31 Oct 91 p 3

[By Chit Estella and Marie Rose Feliciano]

[Text] President Aquino yesterday authorized Gen. Lisandro Abadia, Armed Forces chief of staff, to pursue peace talks with military rebels.

Defense Secretary Renato de Villa said the negotiations must end before December, after which the government must decide whether it will resume offensive operations against them.

Mrs. Aquino met De Villa and Abadia for two hours yesterday at the Guest House to discuss the fate of the peace talks.

Renegade Army Lt. Col. Gregorio Honasan earlier warned of the possibility of another coup if the changes they had hoped for do not come about.

De Villa said Mrs. Aquino, during the meeting, ordered the talks to continue and authorized Abadia to be the principal negotiator in the talks.

Executive Secretary Franklin Drilon said Honasan's recent statements betray his true feelings toward prospects of reconciliation with the government.

"We have thought that Mr. Honasan was never interested in a peaceful solution to the problem and as confirmed by his interview, he wants a revolution, a violent means of achieving his ends," Drilon said.

But Drilon could not say why in spite of Honasan's apparent refusal to achieve his goals through peaceful ways, the Armed Forces continues to hope for a negotiation with him.

Mrs. Aquino on Monday expressed impatience over the talks, saying that no progress was apparently being made. She asked ABadia to stop the discussions with rightist rebels if nothing substantive is being achieved.

"Perhaps we should think of earlier than that (December)," De Villa said, referring to the target date for the end of the talks.

"I am just speculating at this point in time because this will depend on the development," he added.

De Villa said the government must know before the New Year whether it can end its conflict with the rebel soldiers or if a military offensive must be called against them.

Despite Honasan's recent statements, Drilon said, the Aquino administration has not budged from its original position.

De Villa said he is still hopeful that the government and the rebels will find a peaceful solution to the problem.

Government Still Open to Rebel Peace Talks

HK3110022091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Oct 91

[Text] The government continues to keep the door open for a peace dialogue with the rebel soldiers led by former Colonel Gringo Honasan as well as with the New People's Army rebels. Defense Secretary Renato de Villa stressed this in a speech before the Batangas peace and order council, which is led by Governor Vicente Mayo.

De Villa asserted that the Armed Forces of the Philippines [AFP] is maintaining contacts with the group led by Honasan and former Commodore Domingo Calajate with a view to acheiving a lasting peace in the country.

Meanwhile, General Lisandro Abadia, AFP chief of staff, expressed his hope that new developments in the peace talks with the rebel soldiers will lead to concrete results in November. He continues to hope that Honasan and his men will keep their earlier promise to return to the fold of the law. The general made this statement after he was instructed by the president to continue the dialogue with the rebel soldiers.

The negotiations undertaken by the government may be extended beyond 31 October to continue until December. The government nonetheless may resume military operations against Honasan's group if nothing comes out of the talks.

NDF Leader Says NPA-RAM Alliance 'Possible'

HK3110021591 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Oct 91

[Text] An alliance between rebel soldiers and communist rebels in the country is possible. Satur Ocampo, spokesman of the National Democratic Front [NDF], said this in response to an announcement by former Colonel Gregorio Honasan that the Nationalist Revolutionary Alliance of the Masses [RAM] is open to a proposed alliance with the Communist Party of the Philippines-New People's Army [NPA]-National Democratic Front.

Ocampo stressed that such an alliance was not impossible, because the issues they are fighting for are practically the same. He added that the only obstacles to a merger were the issue of ideology, their respective overall views of society, and their proposed solutions to the problems of the country.

Aquino Urges Rebel Restraint on Imelda Return

HK3110050791 Manila PHILIPPINE DAILY INQUIRER in English 31 Oct 91 pp 1, 11

[Text] President Aquino has appealed to former military detainees to desist from making any destabilization attempts especially after the arrival of Mrs. Imelda Marcos, the INQUIRER learned yesterday.

Ms. Aquino made the appeal during a two-hour, closed-door dialog last Saturday with 24 captains and lieutenants who took part in the December 1989 coup attempt.

Executive Secretary Franklin Drilon attended the dialog held in Malacanang, some of the former putschists said. But neither Defense Secretary Renato S. de Villa nor AFP [Armed Forces of the Philippines] Chief of Staff Gen. Lisandro C. Abadia was there.

"The President appeared worried about reports of another coup attempt whicy may be timed with Mrs. Marcos' arrival," one of the officers told the INQUIRER.

"Yong iba sa inyo diyan, baka sasali pa pag may mga destabilization moves pagdating ni Mrs. Marcos," [Some of you out there might even join the destabilization moves during Mrs. Marcos' homecoming] he quoted Ms. Aquino as saying.

"I think she called us to the dialogue because she wanted to make an appeal," another officer said.

The 24 were among the 70 junior officers from the Army, Navy, Air Force and the defunct Constabulary. Abadia released them starting last May when he began "reconciliation talks" with ultrarightist factions in the Armed Forces.

De Villa said the peace talks with the military renegades could be terminated next month.

"As I said earlier this (talks) cannot go on and on and it is also the thinking of the President that at a certain point in time, we must decide whether we will just keep talking or do something about it," De Villa said after he and Abadia conferred with Ms. Aquino for about two hours yesterday.

Drilon said the Cabinet cluster on national security will decide next week if the talks with rebel leaders, including Gregorio Honasan, should be continued or terminated.

"We have thought that Mr. Honasan was never interested in a peaceful solution of the problem. As confirmed by his interview, he wants revolution...violent means," Drilon told a press briefing.

He was reacting to the statement issued by the Rebolusyonaryong Alyansang Makabayan (RAM) [Nationalist Revolutionary Alliance of the Masses] rejecting the President's call for peace and reconciliation.

The RAM statement said the government must first take steps to reform a corrupt political system dominated by the elite before its leaders will agree to "return to military control."

Ms. Aquino said Tuesday the government was willing to accept the surrender of rebel soldiers but they must face trial for past coup attempts.

She said genuine reconciliation should be "tempered with justice" and this can only be achieved if renegade officers faced the consequences of their acts.

Drilon said he had yet to talk to Abadia regarding the possibility of resuming the talks.

But De Villa said the government's approach has not changed despite the threats made by Honasan, who said Sunday in an interview that the RAM was retaining the option of launching another coup attempt.

Honasan also said his group might join forces with communist rebels to topple the government.

Satur Ocampo, a leader of the National Democratic Front [NDF], said the issue of combining forces remains "open-ended" although there might be problems concerning "ideology, strategy and approach."

He said the RAM wants to stage a coup that will be supported by a mass uprising, while the NDF wants to organize the masses and wage a popular struggle to seize political power and institute "a new social order."

Noting that the military rebels have taken "some progressive steps like the removal of the U.S. bases, restructuring of the economy, electoral reforms and reforms in the government," Ocampo said this indicated that the NDF's political program has gained "recognition and acceptance even with the ultra-rightists."

During her dialog with the freed putschists, Ms. Aquino inquired about their reasons for taking part in the coup attempt and the problems they had durign their detention.

"She was taken aback when we told her many of us were detained for 20 months without charges filed in court," a captain said.

He said the President appeared uninformed about the status of military detainees, adding, "There's a communication breakdown somewhere."

Some officers also used the occasion to bring up other issues, like the bad roads in their barangays.

Several officers disclosed that before the dialog one of them suggested that they pray.

At the end of the meeting, another officer asked the President, "Ma'am, can we pray, again?"

Security Fears Render Imelda's Return 'Uncertain'

HK3110014891 Manila Far East Broadcasting Company in Tagalog 0100 GMT 31 Oct 91

[Text] Former First Lady Imelda Marcos' return to the Philippines became even more uncertain after she voiced fears about her safety following reports that radical elements would be present at Ninoy Aquino International Airport. Imelda Marcos expressed her concerns to Philippine Consul General Rodolfo Arrizala at a meeting in the former first lady's house in New York.

A memorandum of the meeting was sent by Arrizala to Executive Secretary Franklin Drilon. The memorandum reported that Mrs. Marcos was still uncertain about how she would return to the country.

Government Not To Confiscate Marcos' Remains

HK3110105291 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 31 Oct 91

[Text] Acting Justice Secretary Silvestre Bello III has assured Imelda Marcos that she will not be arrested immediately after she arrives at Ninoy Aquino International Airport [NAIA]. Here is Ron Bayani with the details:

[Begin Bayani recording] In a press briefing, Bello said that Mrs. Marcos will be given two days to rest before she is presented with a warrant for her arrest. When asked what action the government will take if Mrs. Marcos brings in the remains of her late husband with her when she returns to the country, Bello said that the government has already made plans for Mrs. Marcos' return, but government plans do not include the confiscation of Marcos' remains or returning them to the United States. Bello stressed that the ban on General Fabian Ver and his family is still being enforced because they are still considered a threat to the country's security. [end recording]

Aide Describes Options for Imelda's 4 Nov Return

HK3110040191 Quezon City MALAYA in English 31 Oct 91 pp 1, 2

[By P. R. Europa, Desiree Carlos, Chit Estella and Jodeal Cadacio]

[Text] Imelda R. Marcos said Tuesday in New York she is arriving in Manila on Monday, not on Sunday as some Manila newspapers reported.

She has two options.

The first is to take a chartered plane (from Evergreen International Airlines of McKinnville, Oregon), leaving Honolulu Nov. 3 and arrive in Manila Nov. 4 at 7 a.m.

The other is to take the regular Philippine Airlines [PAL] flight from Honolulu (PR 105). The toll-free number of PAL in San Francisco said the flight would be delayed three hours, making its arrival in Manila at 10 a.m. instead of the scheduled 7 a.m.

Aside from PAL, the staff of Mrs. Marcos booked seats on three other airlines to make sure that she will arrive in Manila on Nov. 4.

Mrs. Marcos' counsel, Dean Antonio Coronel, said Evergreen made a mistake in its request to the Philippine government for landing rights. It based the time of arrival on American time, 3 p.m. on Nov. 3. It will be 7 a.m. of Nov. 4 Philippine time.

The Department of Foreign Affairs has granted Evergreen's request.

"The landing rights are good for 24 hours. So whether this was granted based on a request for landing on Nov. 3 or Nov. 4, it will still be in effect when she arrives," Coronel said.

Coronel said Mrs. Marcos is checking who among her 30 staffmembers accompanying her home have pending cases or arrest warrants.

"Mrs. Marcos wants to avoid any embarrassment at the airport which would result if an arrest is made there," he said.

Coronel said Mrs. Marcos has asked that he, her cousin, former Ambassador Eduardo Romualdez, and brother-in-law, Dr. Pacifico Marcos, and his wife, Lloyd, be allowed to meet her at the Ninoy Aquino International Airport.

Coronel said the list of persons who will welcome Mrs. Marcos at the airport, mostly her relatives and those of former President Marcos, will be known "in a day or two."

The plane from Evergreen is a Boeing 747-200, and the application for landing rights said there would be 27 passengers. Evergreen applied for landing rights through its lawyer Roy Alexander Jr. Mrs. Marcos intends to be in Honolulu Oct. 31 so she can mark All Saints' Day at the crypt of President Marcos in the Valley of the Temple memorial park just outside Honolulu.

As she prepared to leave for home, Mrs. Marcos thanked America's "small, ordinary working people" who she said gave her hope and inspiration during her five-and-a-half year ordeal.

"Despite a not too generous media, your people were most kind and sympathetic," she said in an interview on ABC's Good Morning America show Wednesday. The network had requested the special interview. Mrs. Marcos called America "the beautiful" and "the land of the free."

"There is hope, quality of life and fulfillment for everybody," she said.

But Mrs. Marcos said: "There is no place like home. I may be homeless (she has been denied the use of all her houses by the Aquino government), but I'll be home."

Consul General Rodolfo Arizala, who met with Mrs. Marcos Monday and delivered the memorandum of Executive Secretary Franklin Drilon containing the security arrangements on her return, said she expressed "apprehension" over the security situation at the airport despite assurances by the Aquino government of the tight measures that will be taken to guarantee her safety.

Arizala said in a report to Drilon that Mrs. Marcos was worried about the presence of certain alleged "radical" ements at the airport. She did not elaborate.

Early this week in a morning radio program, Mrs. Marcos said her lawyers have also expressed concern over the insistence of the Aquino government on exclusively handling her security. She said her legal advisers are wondering why she was not being allowed by the Philippine government to bring in her own security men.

Mrs. Marcos also told Arizala she will be accompanied on her arrival by "friends, including Filipino doctors and investors, as well as her closest advisers and sympathizers," all of whom would be "unarmed."

"She is placing her safety and security in the hands of the Philippine government," Arizala said, recalling Drilon's statement that the government was assuming responsibility for her security in connection with her arrival.

Mrs. Marcos has yet to submit to the Philippine government a copy of her intended activities when she gets back to the country. "She will consult with her advisers and lawyers and will let us know her complete itinerary regarding her trip to the Philippines," Arizala said.

Present during the meeting between Mrs. Marcos and Arizala were Consul Ruperto Mr. Dizon and Vicente Carag of the New York consulate, Representatives Ismael Mathay Jr. (LDP [struggle of Philippine democrats], Quezon City) and Ronaldo Zamora (LDP, Mandaluyong/San Juan).

The two were former members of the Kilusang Bagong Lipunan [New society movement (KBL]) the political party founded by President Marcos, and were among the officials closest to Mrs. Marcos before the EDSA [epifanio de los santos avenue] uprising. Half-way into the Aquino administration, they joined the administration party, the Laban ng Demokratikong Pilipino. [LDP].

Representatives Mariano Nalupta (KBL, Ilocos Norte), Antonio Cerilles (NP [Nationalist party], Zamboanga del Sur), Abdullah Dimaporo (NP, Lanao del Norte), and Rodolfo Albano (KBL, Isabela) left yesterday for Honolulu to accompany Mrs. Marcos on her return.

Scheduled to leave for Honolulu today are Minority Floor Leader Salvador Escudero III (NP, Sorsogon), Representatives David Tirol (KBL, Bohol), Antonio Abaya (KBL, Isabela), and Rodrigo Gutang (LDP, North Cotabato).

Representatives Eric Singson (KBL, Ilocos Sur) and Roque Ablan (KBL, Ilocos Norte) left early this week. Ablan, however, will return to Manila on Nov. 2 to head a delegation from Ilocos Norte which will meet Mrs. Marcos.

Late President Marcos' Son To Arrive 'Tonight'

Not To Be Immediately Arrested

HK3110085591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Oct 91

[By Vic Sinchongco of DZRH Unit No. 6]

[Text] Malacanang Palace announced today that the Philippine Government has already granted Ferdinand Marcos Jr. the pertinent travel documents that will allow him to return here to the Philippines.

According to the information given to us by Executive Secretary Franklin Drilon, Bong Bong [nickname of Ferdinand Marcos Jr.] will arrive tonight at 1900 [1100 GMT] aboard a Singapore Airlines flight from Singapore. Drilon also said that Bong Bong holds a Morrocan passport and not a Philippine passport.

Meanwhile, Drilon said that Bong Bong will not be immediately arrested once he arrives in the Philippines. Drilon stressed that the warrant of arrest for the son of the late President Ferdinand Marcos will be served at the right time and not immediately when he arrives in the country later at 1900.

Aside from this, Drilon also clarified that the government has not yet deployed any security personnel for Bong Bong Marcos. He also stressed that Bong Bong is just a private citizen. The government nevertheless might consider Bong Bong's possible request for security. Drilon further said that there has been no change in the plans pertaining to the impending return of the former First Lady Imelda Romualdez Marcos to the country.

Marcos Jr. Welcomed on Return

HK3110125991 Hong Kong AFP in English 1237 GMT 31 Oct 91

[Text] Manila, Oct 31 (AFP)—Ferdinand Marcos Junior, the only son of the late deposed president Ferdinand Marcos, returned to the Philippines late Thursday after more than five years in exile, reporters on the scene said. The younger Marcos was mobbed by journalists as he emerged escorted by uniformed airport police and his godfather Eduardo Cojuangco, President Corazon Aquino's estranged cousin and long-time Marcos ally who is now a presidential contender.

The 32-year-old Marcos was swiftly whisked past several hundred supporters flashing the victory sign and chanting "welcome, welcome" into a van which drove him to the nearby Philippine Village Hotel, where he was welcomed by armed forces chief General 8Lisandro Abadia. "I can't believe I'm home," he told radio station DZMM on the scene. He expressed hope that the remains of his father, temporarily interred in Honolulu where he died in exile in 1989, would be brought back to the Philippines soon.

Marcos said he returned home by way of Singapore to prepare for the homecoming of his mother Imelda Marcos, who has announced plans to return to the Philippines on November 4 after spending All Saints Day by the tomb of her husband. Earlier Thursday, Aquino's chief aide, Executive Secretary Franklin Drilon told reporters the Philippine embassy in Singapore has been instructed to give one-way travel documents to Marcos Junior, who is facing seven cases of tax fraud before a Philippine court.

But he said Manila has learned that Marcos Junior was carrying a Moroccan passport. He is known to have spent his years in exile in the United States. Marcos Junior, who once served as governor of his late father's northern home province of Ilocos Norte, will not be arrested, Drilon said. "He's a private citizen as far as we are concerned," he added.

Malacanang Denies Aquino Knew of Terrell Plot

HK3110010291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Oct 91

[Text] Malacanang has denied reports that President Corazon Aquino was aware of the so-called assassination plot against rebel soldiers and some enemies of the government. Executive Secretary Franklin Drilon said there was no need for Malacanang to give its reaction to the Terrell expose, because the expose was intended to destroy the government.

Drilon made this statement in response to a declaration by a Presidential Commission on Good Government adviser who claimed to have spoken with Terrell before the latter met with Foreign Secretary Raul Manglapus to discuss the assassination plan.

Meanwhile, Press Secretary Tomas Buddy Gomez III claimed that Terrell was not really a mercenary but a thief who had been in prison for a long time. He added that, contrary to several reports, Terrell was neiter a U.S. Army soldier nor a CIA agent, as some have suspected. An investigation Malacanang has conducted on the matter is expected to be released to the public next week.

Manglapus Presents Proof To Refute Plot Charges

HK3110024191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Oct 91

[Text] Foreign Secretary Raul Manglapus is not the only person American mercenary Jack Terrell has implicated in so-called assassination plots; other foreign leaders have also been victims of such accusations. Secretary Manglapus made this report after receiving a letter from a Washington-based think tank, which claimed that Terrell had made similar accusations of other foreign politicians, implicating them in assassination plots.

Manglapus said that the letter, which was written by Lindsay Matheson, director of the International Center, constituted proof that Terrell's accusation against him is false. He described Terrell's accusation as part of the man's modus operandi.

According to Manglapus, Matheson referred to a similar case involving a Nicaraguan leader and Ambassador [name indistinct] of the United States, who Terrell accused of planning an assassination attempt. The case was discontinued after the American mercenary changed his mind.

The foreign secretary is firmly convinced that Terrell concocted the story in a bid to extort money. Matheson reported that Terrell had been imprisoned in Alabama for 10 years for theft and robbery and that Terrell learned to become a con man while in prison.

Northern Cities Put Under 'State of Calamity'

HK3010133491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 30 Oct 91

[Text] President Corazon Aquino placed some cities in regions one and two and Cordillera Administrative Region under a state of calamity. The president took this step as a result of damage caused by strong typhoon Trining. here is Tanny Rodriguez with the entire report:

[Begin Rodriguez recording] The following areas were placed under state of calamity: Ilocos Norte, Laoag City, Ilocos Sur, La Union, Pangasinan and Dagupan City in region one; Cagayan, Isabela and Quirino in region two; and Benguet, Baguio City, Abra, and Kalinga Apayao in Cordillera Autonomous Region.

The president has issued proclamation No. 823, in which she said that, based on earlier reports, approximately 15,000 families have been affected by typhoon Trining. 7,628 houses have been damaged, including agricultural crops and infrastructure worth over 30 million pesos.

The president has instructed all government departments and agencies to implement relief and rehabilitation activities in the said areas based on existing calamity operational plans. [end recording]

Subic Base Imports Still Exempt From Tax, Duty

HK3110050091 Manila MANILA BULLETIN in English 31 Oct 91 pp 1, 4

[By Isidro M. Romano]

[Text] The government said yesterday that all importations by Subic Naval Base, including shipments of American servicemen in the military service, are still tax-and duty-exempted even with the expiration of the Military Bases Agreement (MBA) and the rejection of the Treaty of Friendship, Cooperation, and Security by the Senate last Sept. 16.

Finance Secretary Jesus P. Estanislao approved the recommendation of Customs Commissioner Salvador M. Mison following an endorsement by Deputy Customs Commissioner Licerio C. Evangelista who contended that the Bureau of Customs can still process importations under the RP [Republic of the Philippine]-U.S. Military Bases Agreement on a "status quo basis."

Deputy Customs commissioner Titus B. Villamueva had earlier asked Mison if the customs bureau can still process the importations of motor vehicles under the RP-U.S. Military Agreement, considering its expiration on Sept. 16.

Ambassador Raul Rabe, who is in charge of American affairs at the Department of Foreign Affairs, told Evangelista that "the logal regime that shall govern the states of U.S. forces in the Philippines and their use of Philippine installation shall continue to be as defined in the 1947 Philippine-United States Military Bases Agreement, as amended."

The 1947 Philippine-United States Military Bases Agreement shortened the period of stay of American bases in the Philippines from 99 to 25 years, subject to one-year notice of termination by either party.

Estanislao said that the customs bureau will continue to observe the same procedure and require the submission of the same documents at present being followed before shipments are released.

Ms. Iluminada M. Cantara, assistant chief of the formal entry division and in charge of the Port of Manila's motor vehicle section, said that the importations of retired military American personnel will be governed by the previous guidelines used by the bureau.

At least four vehicles are being proceased daily by her section and the Manila International Container Port.

Government To Urge U.S. To Release Funds

HK3110053591 Manila BUSINESS WORLD in English 31 Oct 91 pp 1, 5

[By Ma. Gertrudes M. Chavez]

[Text] The Philippine Government will press Washington to accelerate the release of the undisbursed pledges it made during the last two pledging sessions, Finance Secretary Jesus P. Estanislao said yesterday.

He described the U.S. pledges as "merely coming in trickles." While he conceded that the U.S. grants are a help, he noted that all they do "is just complement our own homework within the economic reform agenda. It is not the final solution to our problems."

Out of the $1 billion pledged by the U.S. Government to be released over a five-year period since 1989, only $22.9 million has actually been disbursed. Mr. Estanislao explained that during the Tokyo pledging, the general commitment was for the U.S. to pledge $200 million per year for five years.

Perception

"The headlines screamed: $1 billion from the U.S. The perception was immediately created that indeed so much money was going to be given to the Philippines," the finance official noted.

However, instead of the $200 million, the operative pledge in 1989 came out to be only $159.3 million. There were events, Mr. Estanislao pointed out, which transpired to cut their amount. Thus after considerable effort, signed agreements with the U.S. came to only $159.3 million.

And then, the crunch. Under those signed agreements, only $25.65 million was scheduled for release—$15.6 million under program grants and $10.05 million under project grants.

Of the $25.6 million supposed to be disbursed, $22.9 million was actually released, equivalent to a 90

disbursement record.

"It is understandable that even Ambassador Richardson (Elliot) is looking for the full impact of $200 million pledged in Tokyo.

He might have checked from the USAID (United States Agency for Interantional Development) how much has actually been released and why so little has been released. He could have heard an earful," Mrs. Estanislao noted.

On the other hand, the U.S. pledge in Hong Kong was only $160 million, whichi s below the $200 million earlier advertised. But going down to the real numbers, only $157 million was actually pledged, he said.

Of the $157 million, the signed agreements come up to only $120 million. The schedule of releases is still in the process of being firmed up and "no releases have thus far been made." The impact of what the U.S. claims to have pledged in Hong Kong has yet to be felt by the Philippine Government.

"What has come out in our press has been an altogether different message: one that is not in conformity with the nuance relayed by Ambassador Richardson, and one which clearly puts the Philippines in a bad light," Mr. Estanislao said.

But to be fair to the U.S. he said the Washington pledges have an "all-grant character." There were no loans committed by the U.S. under the Philippine Assistance Program (PAP)," he added. Absorptive Capacity [subhead]

The Philippine Government has also come under fire for its alleged failure to utilize official development assistance [ODA) and grants.

The reality is that it takes a very long time to process on ODA. Just because an amount is pledged does not mean that the full amount is released the next day for the Philippines to spend as it pleases. That is now how the real would of ODA operates: long negotiations follow before agreements, detailing specific amounts and uses, can be formally signed," Mr. Estanislao explained.

The official believes that the performance of ODA utilization should be measured by "how much we are actually able to draw within a given year against the schedule of releases for that year."

He noted that most concessional lenders have accepted this. The World Bank goes by this measurement and so does the Asian Development Bank.

But there are other leaders, Mr. Estanislao said (tacitly referring to the U.S.) who insist on their measurement: how much is drawn down this year is counted against the full multi-year amount of the entire program or project. Of course, by this measurement, ODA availment is low for any given year, he said.

Thailand

Suchinda Criticizes Bush Remarks on Elections

BK3110002591 Bangkok THE NATION in English 31 Oct 91 pp A1, A2

[Text] Armed Forces chief Gen Suchinda Khraprayun yesterday pulled no punches in testily reacting to a US call for an early election in Thailand and kidding New Aspiration Party [NAP] leader Gen Chawalit Yongchaiyut over the party's dispute with the military junta.

"Thailand is an independent country and no foreign country can force us to do anything against our will. Different countries have different circumstances and different rules.

"The United States is not the world's big boss and cannot compel us to do anything it wants. If I were the Thai government, I would not allow the United States to treat me this way," he said.

He emphasized that Thailand could stand on its own.

"Would you like it if Thailand relied on the United States and was enslaved in return? We can stand on our own these days and it's good to be this way, isn't it? Our country was born independent even before the United States came into existence and at one point in history, we offered to send combat elephants to help the Americans in their war of independence," he said.

Suchinda, who is the Thai military's most powerful figure as supreme commander and army commander in chief, is also deputy chairman of the National Peacekeeping Council (NPKC) nominally led by ex-supreme commander Gen Sunthon Khongsomphong.

The military chief was apparently reacting to published reports that President George Bush had written a letter to Prime Minister Anan Panyarachun, in which he welcomed the steps taken so far by the premier to return civilian rule to the country. In the letter dated Oct 15 in response to Anan's letter of July 15, Bush also expressed his hope for "an early free and fair" election in Thailand.

Suchinda denied NAP secretary general Sqn Ldr [Squadron Leader] Prasong Soonsiri's allegation that the NPKC was seeking to undercut Chawalit's position.

"Which Chawalit are you talking about? There are many people called Chawalit and many are soldiers," Suchinda said.

He added: "The NPKC is too big and powerful to pay attention to a particular person. We are working for the interests of the country and the general public and we cannot concentrate on just anybody. No particular person is that meaningful to the NPKC."

Suchinda said he would not bother to heed Chawalit's warning that the NPKC may finally be ousted because it had made many enemies since seizing power on Feb 23.

"Every time Gen Chawalit speaks, there are four or five different interpretations," Suchinda said. Chawalit is known to be fond of making ambiguous political statements.

But Suchinda denied that the NPKC regarded Chawalit as its "political enemy".

"If we considered him our enemy, we would have arrested him," he said, tongue-in-cheek.

The top military leader said it was his habit to treat every party equally.

Acknowledging the NAP's frequent broadsides against the NPKC, Suchinda expressed his belief that the party would find other targets for its criticism following the promulgation of the new constitution.

The NAP is zeroing in on the NPKC in a struggle over the type of constitution which would best serve its political purposes, he said.

"Gen Chawalit is leader of a political party and whatever he says or does it understandably is designed to serve his political purposes—there is nothing wrong with that. But whether what he does will work or backfire is another thing. In the end, it's the people who must judge whose side is right or wrong," Suchinda said.

In the same interview, the supreme commander declined to react to the pro-military Samakkhitham Party's campaign pledge that the party would nominate him for prime miniser if it won enough seats in the House of Representatives.

He maintained the party's election promise had nothing to do with him.

"They (those in the Samakkhitham Party) gave the public those words, I didn't," he said.

Suchinda said he could not reprimand the party for "saying nice things about me".

But his refusal to verify the party's offer should not be construed as a signal that he would accept it if Samakkhitham mustered enough support in the House as a result of its campaign theme, he said.

Even if he were nominated, he would still have to make up his mind at some point in the future, he added.

He said that if the public did not support the Samakkhitham Party, then it would not be able to back him as the party's nominee for the top executive post.

"Whether the party is successful or not depends on how the people look at it and its policies and platform," he said.

If the Samakkhitham Party's support for his premiership offended the NAP, the two parties should work it out themselves and leave him alone, Suchinda said.

Suchinda said he was grateful that Samakkhitham and its potential political ally, the Chat Thai Party under new leader ACM Sombun Rahong, were willing to support him as prime minister.

But he added that the two parties were probably attaching too much importance to his prestige.

Says Political Situation 'Mess'

BK3110030091 Bangkok Radio Thailand Network in Thai 0000 GMT 31 Oct 91

[Text] Reacting to a letter sent by U.S. President George Bush to Thailand's prime minister expressing hopes for an early election in Thailand, General Suchinda Khraprayun, supreme commander of the Thai Armed Forces and Army commander, said that this is an internal affair of Thailand.

Thailand is an independent and sovereign country, and cannot be forced by another country. Different countries have different rules, Suchinda pointed out.

The supreme commander went on to say that the political situation in Thailand at present is still in a mess as it has always been. According to his own observation, Thailand has unique political characteristics which would never be in order. There have often been activities of mass mobilization outside the National Assembly, and we have all seen that, he said.

Kaset Rotchananin Expresses Support for Suchinda

BK2510055591 Bangkok BANGKOK POST in English 24 Oct 91 p 3

[Text] National Peace-keeping Council [NPKC] vice-chairman Kaset Rotchananin yesterday expressed full support for Army Chief Suchinda Khraphrayun coming becoming the next prime minister.

"Yes. Certainly," ACM [Air Chief Marshal] Kaset said when asked about a comment by former premier Chatchai Chunhawan that the Chat Thai Party is expected to support the army commander-in-chief as premier after the general election.

ACM Kaset, asked if it is not an act of opportunism for the military to take the premiership, said he supports Gen Suchinda for the post because he does not think the premier has to be an elected MP.

He said whether or not soldiers are suitable for the post depends on the situation. Gen Suchinda is the most appropriate choice for the post in prevailing conditions.

Asked whether he believes former military prime ministers have administered the country well, ACM Kaset said: "I don't know. It all depends on the situation."

New Aspiration Party executive member Wira Musikaphong, meanwhile, branded Gen Chatchai's comment as totally devoid of principles. This attitude was why Gen Chatchai became victim of a coup—and now he and his party are supporting the coup-maker as premier.

Mr Wira himself proposed shortly before the February 23 coup that the Constitution be suspended with "outsiders" put in charge of administering the country for six smonths while a new charter was drawn up. His comment drew fire at the time from political circles which claimed he and other key members of the Solidarity Party were in effect calling for a coup.

Gen Chatchai has resigned both as leader and as a member of the Chat Thai Party, Airport Authority governor Sombun Rahong, who has close contacts with the NPKC, has become Chat Thai leader. Gen Chatchai said that ACM Sombun is suitable for the post and that Chat Thai is expected to support Gen Suchinda for the premiership.

Mr Wira likened Chat Thai to a drowning person grabbing at anything to survive. It is cooperating with Samakkhi Tham in contesting the next election.

Mr Wira said he would wait for the security of the draft charter to be finished before making detailed comments but so far the panel's work has been "fine."

Clauses providing for an ombudsman and the constitution committee have been eliminated although it is not known who will appoint senators. However, Mr Wira proposes that the number of senators and their power be reduced. The Senate should be responsible only for filtering legislation and have no sanctioning powers.

He said his party will fight the next election under any system—party slates or individual candidates—but prefers the second option because the public would be able to vote for anyone without having to pick an entire party lineup.

The prime minister should be an elected MP because Thai politics has developed to a stage that requires this, Mr Wira said.

Academic Criticizes Military's Backing Suchinda

BK2510015991 Bangkok BANGKOK POST in English 25 Oct 91 p 3

[Text] Outspoken academic Dr Pramot Nakhonthap yesterday called upon the members of the National Peace-keeping Council [NPKC] to refrain from voicing their support for Army chief Suchinda Khraprayun to become the next prime minister.

Dr Pramot, a younger brother of the military-backed Samakkhi Tham party's secretary general Sqn Ldr [Squadron Leader] Thiti Nakhonthap, said: "This is none of their business. Their main responsibility is to ensure the passsage of a democratic constitution and after that has been achieved they should return to the barracks."

His comment was apparently directed at Air Force Chief ACM Kaset Rotchananin who last Wednesday said Gen Suchinda was the most suitable person for the top administrative post.

Dr Pramot said he did not want to debate the suitability of candidates for the premiership but would like to urge the NPKC's leaders to stop speaking out on the subject because he said it would be undemocratic to do so.

In democratic countries, he said, active military personnel are required to refrain from criticising or voicing political opinions, or getting involved in political issues. However, they have the basic political rights to vote for any political party.

Dr Pramot said there might be some exceptions here because he said Thailand is politically "backward". But he suggested that there should be a limit to it.

He urged the NPKC leaders to be more sensitive, civil and not show any ambition for political power. Their recent political comments would undoubtedly hurt and diiscredit the image of the country and would benefit nobody, he said.

"It is the NPKC's responsibility and obligation to the people to give back power to the people and return the country to a democratic system. Any attempt by the NPKC to perpetuate its power after the next general election would be totally unacceptable to the public," Pramot said.

His views are different from those of his brother, Sqn Ldr Thit, whose Samakkhi Tham Party has made no secrets of its support for Gen Suchinda for the prime ministerial chair after the general election.

Meanwhile, former Chachoengsao MP Chaturon Chaisaeng said that Gen Suchinda had misunderstood the vote-buying problem in proposing stronger penalties against vote buyers. The penalities are already a maximum jail sentence of 10 years and deprivation of electoral rights for 10 years.

But in past elections there had been only a few people arrested for vote-buying because officials turn a blind eye to the practice. Individuals are also barred from filing a suit against the offenders because the law only allows the state to act as plaintiff.

"If there is to be an amendment of the electoral law then I propose allowing the people and candidates to act as plaintiffs and sue the offender in court whether he is a member of the public or a civil servant," Chaturon said.

He said he agrees with raising the penalties for vote-buying but this should include officials who become involved in vote-buying.

Suchinda Views Dishonest Politicians, Candidacy

BK2610025091 Bangkok BANGKOK POST in English 26 Oct 91 p 1, 3

[Text] Supreme Commander Gen Suchinda Khraphrayun still insists dishonest politicians should be barred from politics for life if a court finds them guilty of cheating in an election.

Calling for public reaction, Gen Suchinda said yesterday the measure is possible if the public and news media support it. The proposal would be a way to stop dishonest and corrupt politicians winning elections.

"If any of the politicians accused of cheating are found guilty in court, they will have no further chance to enter politics."

He believes his proposal is feasible but the person who drafts such legislation will have to find a way to include it in an election law. He hinted that the move should be part of such a law which must be passed before the next election—within the term of the interim government of Prime Minister Anan Panyarachun.

The court process for dealing with election offences should be drawn up to yield a final verdict within a month as in some other countries.

Gen Suchinda defended his proposal against claims it would be dictatorial.

"You always brand everything dictatorial. Don't you think that the proposal is good?

"These people (politicians) conduct themselves badly. How can we keep on allowing them to continue running in elections. They are dishonest—or do you like bad people?"

The NPKC and the Government have asked the Interior Ministry to find ways to prevent votebuying, he said, rebuffing predictions by some politicians that the NPKC and the Government will eventually fail in the attempt. If politicians have better ideas they should forward them to help solve the problem, he added.

Gen Suchinda denied the NPKC and Government decision to allow politicians being investigated for alleged unusual wealth to appeal in court is politically motivated and part of a deal agreed between the NPKC and the politicians involved.

"The NPKC has never negotiated anything with anybody. The Assets Examination Committee will carry on with its task until the final stage. If any politician affected by the asset seizure order feels that the order is unfair, they will be able to appeal to the court," Gen Suchinda said.

He remained non-committal when asked if he would accept the premiership if invited, saying it is not yet time for him to comment.

He was responding to questions following statements by some leading personalities, including former prime minister Chatchai Chunhawan and Air Force Chief ACM Kaset Rotchananin, who favour him as the next prime minister.

Gen Suchinda, while refusing to reject outright the support given him by these people, said nobody wants to be premier because it is a tough job.

Asked if he would accept the post if asked by the public, Gen Suchinda said:

"It's not time for me to comment on the issue just yet."

He thanked those who support him, however.

Asked if the call, which was echoed by several senior military officers, indicates that the Febarury 23 military coup was staged only to pressure him into assuming the premiership, Gen Suchinda said the two issues are not related.

Public support would be the key factor for anyone to become prime minister. Even if he had the support of the military, he would be able to take up the job without the support of people.

He also said a prime minister from military circles cannot guarantee against coups.

Gen Suchinda defended the Constitution draft against criticism it is undemocratic.

"Has anyone read the draft yet? Can any of you point out any undemocratic clause in the draft to me?

"There are several forms of democracy and the prime minister can be either elected or non-elected. How can a non-elected prime minister make the Constitution undemocratic?" Gen Suchinda asked.

When asked to confirm he would refuse the premiership, Gen Suchinda remained evasive.

"There's a Navy song which goes "We cannot predict the future". So if we cannot foresee the future, we have to keep on walking," Gen Suchinda said.

Suchinda Viewed as Prime Ministerial Candidate

BK2710024991 Bangkok BANGKOK POST in English 27 Oct 91 p 2

["Weekend Analysis" by Banyat Tasaniyawet]

[Text] While the way is being cleared for Army chief Gen Suchinda Khraprayun to become prime minister after next year's general election, political pundits believe his rise to the top may not be so smooth and his tenure not so long as expected.

Assuming the current political trend materialises, a coalition Cabinet headed by the general would have the enforced alliance of the Chat Thai and Samakkhi Tham parties as its core of support in Parliament.

Moreover, the Cabinet could include a number of top generals who are now key members of the National Peace-keeping Council (NPKC) which, by that time, would no longer exist, at least in that form.

Should this scenario eventuate, questions are likely to be raised as to whether the NPKC, which staged its coup on February 23, managed to solve the main problems which it cited as reasons for seizing power from a legally-elected democratic government.

These include the problems of vote-buying and the use of political power for personal gain, political intervention and interference in the bureaucracy and "parliamentary dictatorship." And did it get to the bottom of the alleged assassination plot against highly-respected people?

From developments so far, it appears certain vote-buying will not be curbed effectively in the next election. Some would say this plague of Thailand's electoral system might worsen.

Even now money is being spread around to woo former MPs away from established parties to new ones. By the time of the election it can be expected that more money will be thrown around, particularly by parties that believe they have a chance of joining the next coalition government.

Allegations of widespread corruption in the Chatchai administration resulted in the formation of the Assets Examination Committee headed by former Interior Minsiter Gen Sit Chirarot. Gen Suchinda said on Friday the NPKC has asked the Interior Ministry to find way to prevent vote-buying.

With the committee's investigation now coming to an end, the NPKC wants the Government to pass a law to allow the courts to continue the legal work on cases of politicians alleged to have unusual wealth.

This move is viewed in some quarters as politically-motivated, a bargaining chip to persuade, others would say coerce, the Chat Thai Party to accept as its leader Airport Authority of Thailand Governor Air Cheif Marshal [ACM] Combun Rahong.

ACM Sombun is a close associate of Air Force chief Air Chief Marshal Kaset Rotchananin and the governor's election as Chat Thai leader would make an alliance between Chat Thai and Samakkhi Tham much easier, although Gen Suchinda has denied any political motivating.

Political analysts note that eight members of Chat Thai's executive committee are accused of having unusual wealth and that the NPKC's latest move will allow them to appeal to the court if the committee rules against them.

According to some analysts, if the cases against these Chat Thai figures go to court there would be insufficient evidence and the politicans would eventually be cleared.

If the public perceives that the NPKC has not been able to solve any of the major problems it cited for the coup, an immediate reaction would be that the military body merely used these reasons as an excuse to seize political power for its own purposes.

This criticism will not be limited to the military and will certainly have an impact on the new coalition government which many now believe will be headed by Gen Suchinda.

The new government, no matter who heads it, will be in a difficult position because it will be compared immediately with the interim administration of Prime Minister Anan Panyarachun, whose administration has set a high standard and is perceived as being capable, honest and transparent. The Government and its achievements are accepted not only at home but internationally. If Gen Suchinda is to pass the test, the standard of his government must at least surpass that of the Chatchai administration which he toppled.

Although the expected rise of Gen Suchinda to the premier's post would be similar to that of former Prime Minsiter Prem Tinsulanon in some respects—especially being "invited" to take the helm of government with military backing—the situation 10 years ago is vastly different to that of today.

The public has tasted eight years of what has been described as "half-leaf democracy," and nearly three years of so-called "full democracy." Reverting to the previous situation may not be as easy as it appears.

Gen Suchinda probably has not had enough time to prepare for the prime minister's post. Before the coup, he said he did not want to get involved in politics, that he is not a politician and that he does not want to run in elections. On Friday he admitted that being prime minister is not easy.

"No-one wants to be prime minister," he said, adding that the person occupying the post will be the target of constant criticism.

Can Gen Suchinda, as prime minister, bear the criticism, the opposition and the protests?

Political analysts believe that if Gen Suchinda decides to take up the post, he would lack his own support base and would have to rely on that being forged by ACM Kaset and Samakikhi Tham.

The fact that he would have to rely on another person, even though ACM Kast is a classmate, is considered by some analysts as a weak point, likened to breathing through someone else's nose.

Problems could emerge when interests do not coincide. Who can predict whether or not the Air Force one day will call for the prime minister to come from its own ranks.

Admittedly, Gen Suchinda can be confident of the support of the Army and that of his brother-in-law, Deputy Army chief Gen Itsaraphong Nunphakdi, who is tipped as a top candidate to rise to Armuy chief when the post is vacated by Gen Suchinda.

But as the old saying goes: there is nothing certain in politics and changes in bedfellows can occur at any time depending on the circumstances.

Who can guarantee, for instance, that changes or problems will not occur if the core members of Chat Thai now accused of having unusual wealth are cleared of the charges?

Golden Triangle Highway Project Discussed

BK2410091191 Bangkok Radio Thailand Network in Thai 0530 GMT 24 Oct 91

[Text] The Public Relations Office of Chiang Rai Province reported that Yunnan Provincial Vice Governor Jin Renqing and his party held a meeting with Chiang Rai Provincial Governor Khamron Bunchoet, officials of the Chiang Rai Chamber of Commerce, and Chiang Rai provincial authorities recently at the Little Duck Hotel in the Thailand's northern province.

The main objectives of the meeting between the Thai and PRC authorities were to seek ways and means to push for the construction of a highway from the Chinese border to Chiang Rai; to jointly organize the Chiang Rai-Kunming motor rally; and to present a progress report of related activities carried out by Chinese authorities.

The Chinese delegation reported that talks between its representatives and Burmese counterpart had produced positive results. Burmese authorities expressed their desire for China to construct the highway. They wanted China to conduct a survey on the highway route before a joint meeting is held to set conditions and details for the project.

Jin Renqing remarked that when completed the 250 kilometer highway project, which covers the route from (Talua) to Keng Tung in Shan State of Burma, and Mae Sai District, Chiang Rai Province, will help save much travelling time between the destinations. It would also help boost tourism, border trading in the three countries involved—Thailand, Burma, and China—as well as in the other ASEAN countries. He said the Yunnan Province will speed up coordination with the PRC Government in order to turn the Golden Triangle area into the zone of trade and tourism in the near future.

Paper Views Cambodian Prospects After Agreement

BK2610030091 Bangkok THE NATION in English 26 Oct 91 p A9

[Editorial: "Give Cambodians a Chance To Give Peace a Chance"]

[Text] As we all known, Cambodia is more than just a country to most of the world. It is a powerful symbol of the terrible extent to which international politics can devastate a small nation. No country can really compete with Cambodia in terms of the tragedy of its recent history. And no country is now so weak, so demoralized or so battered as Thailand's eastern neighbour.

There is now a chance for things to improve, with the signing on Wednesday of a peace settlement that will end the civil war that has been waged by the Phnom Penh government and the resistance factions for almost 13 years. But as international observers are stressing, the agreement represents simply a hope, not a guarantee, that peace will finally come to Cambodia.

Prime Minister Anan Panyarachun has noted that the agreement means that peace will reign in Indochina for the first time since the outbreak of the Second World War. Others are pointing out that it is the end of the civil war that began when the Vietnamese invaded Cambodia and toppled the Khmer Rouge in 1978-79. What is not being mentioned is probably the most relevant point of the chronology: that for the Khmers, there has been no peace for perhaps 24 years, when the brutal suppression of a peasant revolt in Battambang province by Prince Norodom Sihanouk's government led to the beginning of armed communist insurgency in Cambodia.

If not in 1967, then peace certainly ended in April 1970, when the United States invaded Cambodia to attack suspected North Vietnamese and Viet Cong bases and ended up spreading the Vietnam war to Cambodia. True, for the first year or two of the Khmer Rouge's reign of Cambodia, there was no large-scale civil war in the country, but that period of massive displacement and totalitarian insanity would be hard to characterize as peace.

In any case the real point, to put it frankly, is that Cambodians have been very used to killing each other for a long time now and apparently don't seem to known how to stop. Even as the agreement was being signed, there were reports of continued fighting along the Thai-Cambodian border, as well as of the Khmer Rouge treating their camp followers "like dogs" as they pushed them back into Cambodia in a bid to consolidate control over territory.

On top of everything else, Cambodia seems to be cursed with a lack of true leaders who actually feel some responsibility to the common people.

Its geographical position will also continue to tempt regional states, Thailand and Vietnam in particular, to use and abuse it as a buffer state. For these reasons and others it is imperative that all nations begin to act with responsibility towards Cambodia so that true peace can take root and the country can begin the long, painful process of reconstruction and reconciliation.

The first step should be a real commitment by the outsiders involved to let the Khmers find their own peace, a commitment that goes beyond the lip service heard at last Wednesday's signing of the peace agreement in Paris. This will be difficult, because when it comes to Cambodia, there are many guilty parties among the major powers of the world. China, of course, armed and supported the Khmer Rouge even as the latter waged war against its own people. The Soviet Union played Cambodia as a pawn in its global game of chess against the Americans. The United States, meanwhile, still has a high degree of responsibility given its involvement in the early 1970s. It has even been argued that the US "secret" bombings of the Cambodian countryside in 1969 and afterward and the 1970 invasion contributed greatly to the victory of the Khmer Rouge because they so greatly disrupted rural Khmer life.

Thailand and Vietnam have even longer histories of involvement. Just in this century, Thailand supported the right-wing Khmer Seri against the French before the Second World War, while at the same time the Viet Minh were actively recruiting Cambodians for the Indochinese communist movement.

As the Cambodians alone would probably continue to wage war, and other countries tend to use Cambodia for their own interests, it is a good thing that the peace agreement signed last Wednesday allows for constructive international involvement, in the form of the UN Transitional Authority in Cambodia (UNTAC). The fact that UNTAC will have such wide-ranging power, including control of the Foreign Ministry and all security forces, is also a welcome development. Probably the best thing that the outside players can do at this point, Thailand included, is to sit back and let UNTAC do its work.

Perhaps after 18 months, when general elections are scheduled to occur and UNTAC should be winding down its work, some new, younger leaders will emerge in Cambodia who are not so connected to the country's recent brutal history. Leaders who represent the modest aspirations of the battered Cambodian people, unlike the current crop of faction heads led by the 69-year-old Prince Sihanouk, who, though a delightful man personally, is no less mercurial or flighty than he was 50 years ago.

Perhaps 18 months will also be long enough to start the process of reconstruction, for refugees to be relocated, for mines to be cleared, for aid money to start being used for infrastructure projects. Perhaps. Given the past, it is to be expected that the Cambodian factions will continue their hostility to each other and look for opportunities to subvert the peace.

Stong international support is needed for the UN mission, especially in the crucial next few months, if Cambodia is to move beyond its history and the Cambodian peopple are to be given a chance to give peace a chance.

Asa Recommends Quick Cambodian Repatriation

BK3110024491 Bangkok Radio Thailand Network in Thai 0000 GMT 31 Oct 91

[Text] Foreign Minister Asa Sarasin told reporters that after peace is established in Cambodia Thailand has to urge the Cambodian Government to quickly receive back all the Cambodian refugees who have fled from the war in their country into Thailand. They total as many as 350,000.

In fact, Thailand, Cambodia, and the United Nations have jointly been carrying out operations to repatriate Cambodian refugees in Thailand to their home, Asa pointed out.

However, it will take some time to complete the task because peace and safety have to be guaranteed in Cambodia first. This is because, when these Cambodian refugees return home, they must be able to live safely in their own country and not have to flee to Thailand again, the foreign minister said.

Rice Exporters Plan To Consult SRV on Price

BK3010025391 Bangkok THE NATION in English 30 Oct 91 p B1

[Text] The Thai Rice Exporters Association will consult Vietnamese farm authorities tomorrow on ways to cooperate in the trading of rice, and prevent future price undercutting and head-on competition in the world market.

The association president has called on the Commerce Ministry to maintain assistance measures, including the advancement of low interest loans for rice purchases in the coming crop year. He also urged the ministry to announce target prices for the main crop which will enter the domestic market next month to assert a positive influence on domestic prices.

Niphon Wongtra-ngan said his association will propose to Vietnamese Agriculture Minister Nguyen Cong Tan during tomorrow's meeting to evolve a quality standard of Thai and Vietnamese rice to prevent cut-throat price competition in the future.

The two sides will also look at the possibility of exchanging information on the rice trade, a move which Prime Minister Vo Van Kiet heartily welcomed in his address to Thai business community on Monday. Vo Van Kiet said it would allow Vietnamese traders to fetch better prices for the crop.

Last year, Thai traders were severely affected by fierce competition from Vietnam, which sold the grain at a much lower price in the international market and captured a large segment of it for low quality rice.

This year, Vietnam is expected to produce 19-20 million tonnes of cereal products, including 3-4 million tonnes of maize and wheat. The production next year is expected to rise to 21 million tonnes, said an official from Vietnam's Food Export Import Association.

The two associations will meet again next month to discuss in detail rice prices and production projections in both countries. Niphon said he expected to issue a communique at the end of the bilateral consultation next month.

Niphon yesterday met permanent secretary Phatchara Itsarasena of the Commerce Ministry to finalise the agenda of the consultation scheduled for Oct 31.

Niphon said he urged the ministry at yesterday's meeting to announce the 1991/92 rice policy urgently because rice prices in the domestic market did not climb up to the levels they once used to.

Rumours that the ministry is considering changes in its assistance programme to rice farmers and traders has created uncertainty in the market, he added.

He said the government should maintain assistance measures, including the rice-pledging programme of the Bank for Agriculture and Agricultural Cooperative and government rice purchases by the Public Warehouse Organization (PWO).

According to Niphon, the warehouse agency should also be promoted to market rice overseas to compete with private rice traders.

It should also replace the Foreign Trade Department which buys rice from exporters and sells it to friendly governments.

He said the PWO, which maintains its own warehouses nationwide, would be the more competent agency to undertake the trade.

The ministry now pays an average Bt30 million a year to exporters for using their warehouses for government rice storage, he added.

Australia Concerned Over Possible Protectionism

BK2510110991 Bangkok THE NATION in English 25 Oct 91 p B12

[Text] Australia, which leads a group of 14 countries with liberal farm policies in the GATT talks, has reportedly expressed concern that the recent creation by the [Thai] Government of a Bt3-billion farmers support fund might affect the group's overall lobbying for sharp cuts in farm subsidies, said a Thai trade official.

Murray Alexander Cobban, the second most senior official at the Australian Embassy in Bangkok, told THE NATION that discussion with the Thai Commerce Ministry focused on the administration and purpose of the fund rather than its consequences.

The discussion was not "an expression of concern, or a complaint," he said.

The Thai trade official, who asked not to be named, said the Commerce Ministry's response to inquiries from the Australian Embassy was that the government was pressed by domestic interest groups to come up with measures to alleviate farmers' plight, given the uncertainties and vulnerability of the current GATT talks.

According to Cobbon, neither side discussed whether the Thai Government's support to farmers at this crucial phase of the Uruguay Round of multilateral trade talks would in any way undermine the negotiating position of the Cairns Group, in which Thailand is a member.

The Group has called on the 100-plus member countries of GATT to cut internal support and lift market restrictions in the farm sector by 75 percent, and reduce export subsidies for agricultural products by 90 percent over a period of 10 years.

The move by countries in the developing world follows increasing protectionism among countries of the developed world and the formation of economic blocs and zones in which discriminatory tariffs will be the rule rather than the exception.

The developing countries stand to lose in such a bargain and they would like to ensure that such a thing did not occur.

According to the source, Australian Embassy officials have made several inquiries about the crop fund since its creation was approved by the Cabinet last month for fear that it, as the leader of the group, might be locked in a difficult position when insisting on the proposal for drastic cuts in farm support.

The Fund, which receives two percent of the annual government expenditure budget, is intended to help farmers earn a steady income despite volatility of crop prices in the domestic and international markets.

Instead of improving farmers' livelihood through its influence on the market by fixing target prices for key cash crops, the Fund attempts to set the appropriate level of income growers of each crop should be receiving in a production season.

The differential between the actual income and the target income will be compensated for by the Fund.

However, it remains largely unclear how, through which channels, and to whom the payment will be made.

According to Bobban, the Australian Embassy wanted to have information on these aspects as well before determining what effects the Fund may create in the future.

"(But) we recognize that the income subsidization to farmers should be treated differently from subsidization to exports," he said.

As the Agriculture Ministry has initiated and won approval from the Cabinet for a separate farm rehabilitation scheme, Cobban said confusion arose as to the differences between the two programmes.

Possibility of Constitution Committee Discussed

BK2410060991 Bangkok THE NATION in English 24 Oct 91 p A8

[Editorial: "And So the Vicious Cycle Begins Again"]

[Text] The committee reviewing the draft constitution has dropped the entire section dealing with the Constitution Committee on the grounds that such a powerful body could interfere with the work of the three branches of government. Since the review committee was practically hand-picked by the National Peacekeeping Council, it is safe to assume that the NPKC also doesn't wish to see the Constitution Committee become a reality.

Under the original draft of the constitution, the Constitution Committee would have been in charge of selecting 1,350 nominees who would elect 270 of their number to fill the Senate. Now, without the Constitution Committee, how is the Senate going to be chosen?

Chances are that the review committee will empower the prime minister to nominate senators for royal appointment, as it has always been under previous constitutions. But it is unlikely that Prime Minister Anan Panyarachun will have a chance to exercise the power because the NPKC will certainly want a big say in who will become the next senators and who will not. So the new constitution is expected to include a provisional clause giving the power to nominate senators to either the NPKC chairman, Gen Sunthon Khongsomphong, or to the military council itself. In either case most of the Senate nominees will come from the present National Assembly, which is packed with NPKC supporters.

The Constitution Committee was supposed to monitor the public conduct of MPs and Senators and initiate investigations when there was evidence of serious malfeasance or abuse of power, like MPs selling their votes or chronic absenteeism. But as most politicians didn't want anyone looking over their shoulders, they welcomed the early demise of the Constitution Committee.

Without the Constitution Committee, who will keep the elected politicians in check? Nobody. Once again. The press may once in a while blow the whistle on a notorious MP or expose the blatant graft of a minister. But the press of course has no authority to call an MP or a minister to testify.

The political party system in Thailand is so weak that we cannot expect any party to hold its mps or ministers accountable for anything. With their parliamentary privileges, the elected politicians have virtually had free reign over this country. Little wonder then that many seized the opportunity to enrich themselves beyond most people's wildest dreams while they were in power.

Of course, the voters should be the ultimate judge of politicians. But how many veteran politicians really care about what their constituents think? Certainly not many. Will those former ministers who couldn't explain the sources of their wealth to the Sitthi committee and have part of their apparently ill-gotten assets seized by the state be able to win in the next general election? Most probably all of them will, because personal integrity is not an election issue in this country. Besides, they can always count on hiring influential canvassers to campaign for them and buy votes to ensure their victory.

The Constitution Committee was designed to serve as a national watch-dog for election fraud and vote-buying. It would have overseen the Interior Ministry in organizing and policing national elections. Without the Constitution Committee, the ministry will remain the sole authority responsible for elections. This seems to suit the NPKC just fine, especially as NPKC Secretary-General Gen Itsaraphong Nunphakdi is the interior minister, and his nationwide campaign to "teach democracy" at the grass-roots level was reportedly a "resounding success". At least that's what Gen Itsaraphong claims—after all, thousands of villages have taken part in swearing not to buy votes in elections.

It this is true, the joint meeting today of the NPKC and the Anan Cabinet on how to clean up the electoral process is redundant. Stop wasting time. Let's go ahead and put the NPKC's new constitution into effect as soon as possible. We just cannot wait to see the "cleanest" general election in Thai political history, nor can we handle the suspense of waiting to see how long it takes Army Commander Gen Suchinda Kraprayun to persuade himself that he deserves to be the next prime minister of Thailand.

Military Request for Chinook Helicopters Stalled

BK2510012791 Bangkok THE NATION in English 25 Oct 91 pp A1, A2

[Text] A military junta-appointed committee yesterday shot down a proposal pushed by the Supreme Command for the Aviation Department to acquire six Chinook helicopters for use in civilian search and rescue missions.

It was the second time for the Economic Scrutiny Committee headed by Deputy Prime Minister Dr Sano Unakun to spurn the forceful proposal. It suggested that the issue should first receive consent from another junta-appointed team in charge of security affairs.

The proposal requires a total expenditure of Bt5.60 billion for the direct commercial purchase of six Chinook helicopters which, after the purchase, will be operated by the air force but the Aviation Department will have to shoulder the responsibility for all expenses involved, such as maintenance, repair and fuel.

Dr Sano told reporters that the two committees will discuss the proposal again to determine whether the six helicopters are necessary because there are other units such as the armed forces and police which operate helicopters as well.

"We will find out whether those units have prepared themselves for civilian search and rescue work, or whether the helicopters already in service are just idle," he said.

Dr Sano said that if those units already have helicopters which are not used frequently, it would be a wasteful and redundant spending for the Aviation Department to buy more helicopters.

"It's not just financial matters which should be discussed, but possible redundancy in work as well," he said.

The units concerned with aviation will have to express their views, he said. "We will see how often the current helicopter fleet is being used. If we learn that the proposal is not feasible and not necessary, then the Aviation Department should not buy the Chinooks," he said.

He pointed out that various government agencies such as the Interior Ministry, the navy and police aviation unit already have helicopters for disaster relief missions. "So it may not be practical at all for the Aviation Department to acquire helicopters solely for this purpose," he insisted.

After the two committees have gathered enough data on this issue, the proposal would be forwarded to the Cabinet for consideration. Dr Sano said that though the budgetary appropriations for fiscal 1992 have been approved by the National Legislative Assembly, extra budget can be set aside if it becomes necessary for the purchase of Chinook helicopters.

The proposal was pushed by former Supreme Commander Gen Sunthon Khongsomphong before his retirement at the end of last month despite the fact that Aviation Department did not initiate the procurement and did not have a budget for this purpose.

Originally, the Supreme Command wanted the air force to acquire the Chinooks for civilian search and rescue work, but was informed by the committee that if there was any need for helicopters for such missions, the Aviation Department should be responsible for the budgetary planning.

When the proposal eventually reached Transport and Communications Minister Nukun Prachuapmo, he assigned one of his deputies to pursue the issue because he did not want to provoke anger among the members of the military junta, of which Gen Sunthon is still the leader.

As a result, the hard-pressed Aviation Department was further spurred to propose the procurement plan for the Chinooks amidst strong reservation from department officials who foresaw that the unit would not be able to assume full control on the helicopters. Instead, it would have to seek additional budgets annually to meet expenses related to the Chinook fleet.

The air force already has in service several Chinooks bought from the US-based Boeing Helicopter company. They have never been used in any search and rescue mission before, though the country had been struck by major natural and accidental disasters in the past three years.

The Supreme Command has also been forceful in its previous demand for huge budgets from the government to acquire military hardware. It had sought Bt24 billion to buy the Crotale air defence system from France and Bt19 billion to buy 38 AMX jet fighters from Italy and Brazil.

The procurement would require payments and budgetary commitment stretching over 10 years but the government had so far agreed to provide only Bt500 million, a negligible amount compared with the gigantic sum for the additional defence spending.

Prime Minister Anan is not a proponent for increasing defence spending. Instead, he suggested in his speeches during the World Bank/IMF annual meeting earlier this month that military expenditures should be redirected towards economic and social development.

Environment Targeting by Trade Partners Warned

BK2610025591 Bangkok THE NATION in English 26 Oct 91 p B1

[By Oranut Anusaksathian, Atchara Phongwuthithan]

[Text] With the 'green' movement spreading across the globe, Thailand will likely become a frequent target of major trading partners for failing to enforce or toughen its laws to protect the environment and natural resources, warned a senior Thai trade official.

Phatchara Isaraseana, permanent secretary of the Commerce Minsitry, made a caution note in the face of growing trade threats closely associated with the high levels of environmental protection in industrial nations.

The United States' threat to ban canned tuna exports from Thailand and other processing countries on the ground that the fish was caught by methods that kill dolphins is just an example.

The U.S. has already made an inquiry into commercial prawn farming in Thailand out of concern that the destruction of the fast-dwindling mangrove forests will be accelerated by the mushrooming shrimp farms along the coast.

It has become increasingly evident that the environment will be the new ground of trade disputes in the future, Phatchara added.

Speaking at a seminar on trade barriers yesterday, sponsored by the Commercie Ministry, Phatchara, the seniormost trade official, was apparently concern that environmental laws which Thailand's trading partners have enforced or are considering may have significant and far-reaching trade implications on the country's exports.

These measures which may have extra-territorial effects may hurt Thai exports to the United States and the European Community in particular, he said, adding that over 100 environmental legislations are pending in the U.S. Congress alone.

If they are passed into laws, Phatchara feared that they might trigger large-scale trade-related problems and further deteriorate the already strained bilateral relations between Washington and Bangkok.

According to Phatchara, Washington has informed Asean economic ministers at their consultation last month after the Asean Economic Ministerial Meeting in Kuala Lumpur that in the next five years, pressure form environemntal and conservation groups in the U.S. would escalate and force both the Adminsitration and Congress to take tougher action in this area.

The recent initiative of the Bush Administration to launch the American Enterprise Initiative to help Latin American and Caribbean countries reduce their external debits if these countries agree to conserve their natural resources and the environment is among the U.S. latest moves to persuade its less-developed allies to improve their own environmental records.

Meanwhile, the six member countries of the Association of the Southeast Asian Nations (ASEAN) have expressed concern that protectionist measures in disguise of environmental protection acts would impede international trade flows even after the Uruguay Round of multilateral talks has been concluded successfully.

Asean trade and environmental officials will formulate common strategies prior to the United Nations-sponsored Earth Summit in Brazil in June 1992 to prevent thier governments from adopting resolutions that might impede future trade, he said.

Although no date as been set for the first round of Asean trade and environment officials to meet, it is anticipated that the meeting will take place soon.

The environmental summit, the first time in history, will see heads of government from around the world gather in Brazil's capital to discuss the state of the world's environment and how to rehabilitate it.

In addition, the 12-nation European Community for considering new development assistance programmes. One of the conditions is the level of environmental protection in the recipient countries.

Vietnam

Government 'Welcomes' Middle East Conference

BK3010155591 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Oct 91

[Text] On the occasion of the convening of the Middle East peace conference in Madrid on 30 October, the VIETNAM NEWS AGENCY correspondent interviewed the Vietnamese Foreign Ministry's spokesman about Vietnam's stand on this issue and received the following answer:

Vietnam welcomes the decision by all parties concerned to attend the peace conference to resolve the Middle East conflict which has been going on for more than 40 years. Vietnam welcomes the general effort of all countries in the region and that of the PLO aimed at reaching a unified stand at the conference to achieve their goals.

Vietnam contends that a comprehensive, fair, and rational solution to the Middle East issue meeting the interests of countries in the region and the Palestinian people's right to self-determination will bring about long-lasting peace and stability to the region.

Further on Premier Vo Van Kiet's ASEAN Tour

Received by Thai King

BK3110065491 Hanoi VNA in English 0607 GMT 31 Oct 91

[Text] Hanoi VNA October 31—In the afternoon of October 31 Chairman of the Vietnamese Council of Ministers Vo Van Kiet and his wife were granted an audience by King Phumiphon Adunyadet of Thailand at the Dusit Palace in Bangkok.

Vietnam's Vice Premier Tran Duc Luong, and Thailand's Premier Anan Panyaranchun and his wife were present on the occasion.

Chairman Vo Van Kiet expressed sincere thanks to the Thai Government for creating favourable conditions for the Vietnamese Government delegation's visit, and conveyed regads from State Council President Vo Chi Cong to the Thai monarch. Premier Vo Van Kiet informed the king of the results of the talks between the two government delegations and the present situation in Vietnam particularly the initial achievements in the renovation process.

His majesty the king stressed the need to enhance cooperation among countries in the region and to live together in friendship and development. The king expressed his belief that Vietnam will achieve new achievements in economic development.

The audience took place in an atmosphere of cordiality and sincerity.

Signs Joint Thai-Communique

BK3110070491 Hanoi VNA in English 0634 GMT 31 Oct 91

[Text] Hanoi VNA Oct. 31—The Vietnam-Thailand joint communique was signed in Bangkok yesterday afternoon by Vo Van Kiet, chairman of the Council of Ministers of Vietnam and Anan Panyarachun, prime minister of Thailand, at the end of the official visit of Vietnamese Government delegation from October 28-30.

On the same day, Vietnam's Minister of Commerce and Tourism Le Van Triet and Thailand's Foreign Minister Asa Sarasin signed an agreement on investment promotion and protection and Deputy Foreign Ministers Vo Khoa and Wichian Wattanakun signed an agreement on natural gas development cooperation.

Speaking at the signing of the joint communique, Chairman Vo Van Kiet said:

"Our visit is an important historical landmark in our two countries' relations. I believe that as evinced by the results of our talks, this visit has opened a new stage for broader and closer cooperation between our two countries. The agreements already reached are big practical contributions to further strengthening the long-standing friendship and multiform cooperation between the two countries in the interests of the two peoples and for peace stabilty and cooperation in Southeast Asia.

"However, everything has just begun. A lot remains to be done to take our relations to a new level."

Later in the day, Chairman Vo Van Kiet and his party left Bangkok for Singapore, the last leg of their ASEAN tour.

Full Text of Communique

BK3010135791 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Oct 91

["Full text" of Vietnam-Thailand Joint Communique on visit by SRV Premier Vo Van Kiet issued in Bangkok on 30 October—read by announcer]

[Text] 1. At the invitation of Prime Minister Anan Panyarachun of the Kingdom of Thailand, SRV Council of Ministers Chairman Vo Van Kiet paid an official friendship visit to the Kingdom of Thailand from 28-30 October.

2. During his stay in Thailand, Chairman Vo Van Kiet and his wife was received in audience by King Phumiphon Adunyadet. Chairman Vo Van Kiet and his entourage also visited the Eastern Seaboard Industrial Development Project in Chonburi Province and the shrimp rearing center in Samut Sakhon Province.

3. Prime Minister Anan Panyarachun held official talks with Chairman Vo Van Kiet on issues related to bilateral relations and regional and international issues. Attending the talks on the Vietnamese side were Tran Duc Luong, vice chairman of the Council of Ministers; Nguyen Cong Tan, minister of agriculture and food industry; Le Van Triet, minister of commerce and tourism; Vu Khoan, deputy minister of foreign affairs; Senior Lieutenant General Tran Van Quan, deputy minister of national defense; Mai Ky, deputy head of the State Planning Commission; Nguyen Manh Tuyen, deputy minister of construction; Huynh Cong Hoa, deputy minister of marine products; Huynh Thuc Tan, deputy head of the Council of Ministers Office; Vu Quoc Tuap, assistant to the Council of Ministers chairman; Tran Huy Chuong, assistant to the foreign minister; and Nguyen Dang Khoa, Vietnamese charges d'affaires a.i. to Thailand.

On the Thai side were, Police General Phao Sarasin, deputy prime minister; Foreign Minister Asa Sarasin; Kasemsamoson Kasemsi, minister attached to the Prime Ministers Office; General Suchinda Khraprayun, supreme commander of the armed forces and commander in chief of the Royal Thai Army; Wichian Watthanakun, deputy foreign minister; Wira Susangkonkan, deputy minister of industry; At Taolanon, deputy minister of agriculture and cooperative; Pridiyathon Thewakun, deputy minister of commerce; Sathaphon Kawitanon, director general of the Prime Ministers Office and the Board of Investment; Witthaya Wetchachiwa, undersecretary of the foreign ministry; Suraphon Chaiyanam, Thai ambassador to Vietnam; General Charan Kunlawanit, director general of the National Security Council, and Phisit Phakkasem, director general of the National Economic and Social Development Board.

The talks proceeded in a friendly and constructive atmosphere, manifesting the recent development in relations of the two countries.

4. Prime Minister Anan Panyarachun warmly welcomed the visit to Thailand by Chairman Vo Van Kiet. This was the first visit to the kingdom by a top Vietnamese leader in 13 years and an historic event for both countries. The visit marks the peak efforts of the two sides aimed at approaching a new era of mutual trust between Vietnam and Thailand. This will serve as a dynamic force accelerating closer cooperation and relations between the two nations for the interest of the two peoples and for peace, stability, and prosperity in Southeast Asia.

5. While reviewing the developments of the regional situation, both sides welcomed the signing of an agreement on a comprehensive solution to the conflict in Cambodia. This has not only brought about a revival of the Cambodian people, but has also ushered in a new era of peace in Southeast Asia. Both sides unanimously agreed to totally respect the independence, sovereignty, territorial integrity, and neutrality of Cambodia, and asserted that as next door neighbors to Cambodia, Vietnam and Thailand—as well as other countries concerned—fully support the implementation of the peace accord on Cambodia—an accord allowing the Cambodian people to determine their own future through a free and fair general election. Both sides hope to see Cambodia becoming a country of peace and prosperity that enjoys friendly relations with all neighboring countries and other nations in the world.

6. Both sides hold that with peace in Cambodia being restored, for the first time in recent history, countries in the region will enjoy unprecedented opportunities to cooperate with one another in building a new Southeast Asia. Now Southeast Asian countries should jointly find out a way for their own future with a view to turning Southeast Asia into a zone of peace, stability, and prosperity.

To achieve this aim, both sides hold that the participation by all countries in the region in the 1976 Treaty of Friendship and Cooperation—which stipulates the principles for the peaceful relations between nations—will create a firm basis for peaceful coexistence and constructive cooperation in Southeast Asia.

In this spirit, the Thai side welcomed the Vietnamese Government's official proposal for joining the above treaty, regarding this as an important contribution of Vietnam to building Southeast Asia into a united community of peaceful nations.

Both sides are of the view that amid the favorable trend in other regions, the building of such a new order in Southeast Asia will contribute to strengthening the system of peace and stability in the world as a whole.

Both sides hold that what is urgent in the post-cold war era is that all nations should strive to step up international cooperation and especially to strengthen the role of the United Nations as a main tool of a new world order—that of independence, freedom, justice, equality, and prosperity for all nations, be they big or small, developed or developing.

7. Both sides have examined the current improvements in their bilateral relations and expressed their satisfaction over the rapid progress in the two countries' relations, especially following the visit to Vietnam of Thai Foreign Minister Asa Sarasin.

Both sides hope that the efforts to build the confidence in Vietnamese-Thai relations will be further strengthened, and they regard this as an essential thing for developing the lasting relations and broadening the cooperation between the two countries.

In this regard, both sides affirm their commitment toward the 6 August 1976 joint communique and the 10 September 1978 joint statement, especially toward those principles of respect for each other's independence, sovereignty, territorial integrity, noninterference into each other's internal affairs, and settlement of all disputes through peaceful means as well as their agreement to continue to abstain from all acts that may have negative impact on security interests of each country.

8. As for the long-existing issue of Vietnamese fleeing to Thailand during the first Indochinese war, the Vietnamese side welcomed the Thai Government's intention of finding a lasting solution to this issue by considering the granting of Thai citizenship to these Vietnamese in accordance with their aspirations as well as the further easing of other existing restrictions under the conditions that when being granted Thai citizenship, they should renounce their Vietnamese citizenship in accordance with the laws of each country.

Regarding this issue, the Vietnamese side reaffirmed that Vietnamese law does not recognize dual citizenship and it is the Vietnamese Government's policy that long-time Vietnamese residents in Thailand will become part of Thai society and law-abiding citizens of Thailand.

9. Both sides perceive that the two countries' cooperation in fishery will be mutually beneficial. To encourage and spur this cooperation, both sides agreed to accelerate on-going negotiations aimed at proceeding toward the signing of treaties of fishery cooperation between the two countries at the earliest time possible.

10. Both sides agreed to promptly hold intensive discussions on measures and modalities to be adopted to solve the question of fishermen of one country being arrested by another country for illegal fishing in each other's sea areas.

In this regard, both sides welcomed the release of each other's detained fishermen as a gesture of good will aimed at creating a favorable atmosphere for better cooperation in this field.

11. Both sides agreed to start negotiations over the question of sea boundaries between the two countries sometime before the first quarter of 1992.

12. Both sides noted with elation the positive improvements in bilateral trade and economic cooperation in the recent past, most prominently the founding of a joint committee for economic cooperation in order to create a groundwork for the broadening of economic relations between the two countries.

Both sides attached importance to the role of the joint committee and welcomed the success of the first meeting of this committee in Bangkok from 17-18 October 1991.

Both sides expressed their satisfaction over what has been achieved in this meeting, namely further increasing the regular contacts and exchanges of visits between the two countries' trade organizations and enterprises; exchanging the scope of cooperation in the trading and processing of precious stones; encouraging cooperation in the financial and banking fields and the establishment of joint Thai-Vietnamese banks as well as the opening of Thai commercial bank branches in Vietnam; promptly organizing the exchange of views between officials concerned of the two countries over the implementation of the merchant maritime treaty signed on 26 July 1979; considering the possibility of increasing the tempo of airline services between the two countries; broading cooperation on investment in various areas such as farm produce processing, light industry, and construction materials; and broadening bilateral technical cooperation.

Both sides hold that the strengthening of trade and economic cooperation will bring prosperity to both countries. The Thai side expressed hope that through the promotion of closer economic cooperation, Thailand will have conditions to contribute to the economic reform and the growth of Vietnam.

13. In order to further broaden the scope of economic relations between the two countries, both sides have signed an agreement on encouragement and protection of investment. Both sides have also agreed to continue their negotiations aimed at signing an agreement on the avoidance of double taxation as soon as possible.

Both sides have also signed an aide-memoir on cooperation in natural gas development and sales and have reaffirmed the importance of the agreement on trade, economic, and technical cooperation signed in 1978, regarding this as a groundwork for further development of bilateral economic relations.

Both sides noted that the first meeting of a joint committee on principles had approved amendments to this agreement to suit new developments in the two countries' relations. Both sides pledged to finalize their procedures so as to sign a protocol to revise the agreement at the earliest time possible.

14. Both sides agreed to further broaden the cooperation in various areas—cultural, scientific, technical, cadre training, tourism, physical education, and sports. Both sides also hold that it is necessary to further encourage the exchange of visits and contacts at various levels in order to enhance the mutual understanding and good will and to consolidate the friendship between the two peoples.

15. Both sides hold that the success of this visit will contribute to further strengthening the relations of friendship and cooperation between Vietnam and Thailand as well as to peace, stability, and cooperation in Southeast Asia.

Chairman Vo Van Kiet has expressed his sincere gratitude for the warm and hospitable welcome reserved for his delegation by the government and people of Thailand.

16. Chairman Vo Van Kiet has invited Thai Prime Minister Anan Panyarachun to pay an official visit to Vietnam. His Excellency Prime Minister Anan Panyarachun accepted this invitation with pleasure. The timing for this visit will be agreed upon by both sides later through diplomatic channels.

[Dated] Bangkok, 30 October 1991.

[Signed] Vo Van Kiet, chairman of the Council of Ministers of the SRV; Anan Panyarachun, prime minister of the Kingdom of Thailand.

Arrives in Singapore 30 Oct

BK3110053891 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 31 Oct 91

[Text] According to a report from Singapore, Chairman of the Council of Ministers Vo Van Kiet arrived in Singapore yesterday, 30 October.

In his statement made at the Changi Airport, Vo Van Kiet said: My earnest hope is that this visit will create new and good prospects for strengthening Vietnam-Singapore cooperation.

Singaporian officials said that their leader would assure Chairman Vo Van Kiet that the investment ban will be lifted this year and Singapore will provide technical assistance which is needed by Vietnam for economic development.

Singapore is Vietnam's biggest customer after Japan. According to Vietnam's latest figures, bilateral trade volume in 1989 reached $306 million.

Chairman Vo Van Kiet will hold talks with Singaporian Premier Goh Chok Tong and visit the ports of an industrial area before returning to Vietnam on 1 November.

A Singapore official said that the visit is important because, with the end of the Cambodian conflict, the process of Vietnam's assimilation into Southeast Asia can begin.

Meets Singapore Leaders

BK3110122191 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 31 Oct 91

[Text] On 30 October, Council of Ministers Chairman Vo Van Kiet, his wife, and our government delegation began an official visit to the Republic of Singapore, at the invitation of Prime Minister Goh Chok Tong. Accompanying Chairman Vo Van Kiet were Vice-Chairman Tran Duc Luong and many ministers and vice ministers.

Welcoming the delegation at Changi Airport was Mr. Lim Boon Heng, Singapore's minister of state in charge of trade and industry. An official solemn welcoming ceremony was carried out today, 31 October, at the presidential palace.

After the army played the national anthems of Vietnam and Singapore, Prime Minister Goh Chok Tong and Chairman Vo Van Kiet reviewed the honor guards. Following the official welcoming ceremony, Chairman Vo Van Kiet and his wife made courtesy calls on President Wee Kim Wee and his wife and Prime Minister Goh Chok Tong.

At the meetings, Chairman Vo Van Kiet expressed his joy over the visit to beautiful Singapore and hoped that his visit would help strengthen the relations of friendship and cooperation between the two countries. The Singapore president and prime minister welcomed the visit by Chairman Vo Van Kiet and the Vietnamese Government delegation, and said that Singapore and Vietnam might accelerate bilateral cooperation in many domains.

On the morning of 31 October, Chairman Vo Van Kiet held talks with Singapore's Goh Chok Tong.

Attending the talks, on the Vietnamese side, were Vice Chairman Tran Duc Luong; Le Van Triet, minister of trade and tourism; Vice Foreign Minister Vu Khoan; Mai Ky, deputy head of the State Planning Commission; Huynh Thuc Tan, deputy head of the Council of Ministers' Office; Vu Quoc Tuan, assistant to the Council of Ministers chairman; Tran Huy Chuong, assistant to the foreign minister; and Luong Van Tu, chief of the Vietnam Chamber of Commerce in Singapore.

On the Singapore side were Foreign Minister Wong Kan Seng; Doctor Lee Boon Yang, minister, deputy prime minister, and second defense minister; Lim Boon Heng, minister of state in charge of trade and industry; (Peter Chang), permanent secretary of foreign affairs; and many other high-ranking officials.

Both sides exchanged views on international issues of common concern, especially the strengthening of bilateral relations of friendship and cooperation including the opening of diplomatic representations in the capitals of the two countries.

Vietnam and Singapore established official diplomatic relations in 1973. Nevertheless, as yet, Vietnam only has a trade representation in Singapore. Chairman Vo Van Kiet expressed the desire to learn of Singapore's experiences in building and developing the economy. At the same time, he mentioned Vietnam's desire to sign the 1976 Bali treaty. Prime Minister Goh Chok Tong said: In principle, Singapore agreed to the opening of an embassy in Hanoi and welcomed Vietnam's desire to sign the Bali treaty.

Speaking at a news briefing following the talks, a spokesman of the Singapore Foreign Ministry said: The Singapore Government is considering lifting its economic embargo against Vietnam. Following the talks, Chairman Vo Van Kiet and his delegation visited the World Trade Center and Singapore port.

Radio Hails Singapore Tour

BK3110131691 Hanoi Voice of Vietnam in English 1000 GMT 31 Oct 91

[Station commentary]

[Text] Singapore is the last leg of the Southeast Asia tour of Vietnamese Chairman Vo Van Kiet. Like the two previous visits to Indonesia and Thailand, this visit captures regional and world attentions. Singapore is an ASEAN member country which maintained tense relations with Vietnam. If the Thai-Vietnamese relations was marred occasionally by dark clouds as the Thai Prime Minister put it, the relations between Vietnam and Singapore was frequented by those dark clouds. That is why the visit to Singapore by Chairman Vo Van Kiet is an important event in bilateral relations.

BBC Radio said on Tuesday, 29 October, that dark clouds in the relations between Vietnam and Singapore have been dispersing with the Vietnamese leader's visit to Singapore. Singapore is opening wide its door to Vietnam.

Actually, with this Southeast Asia tour, Vietnam wants to strengthen its friendship and cooperation with these countries while attaching importance to the friendship and cooperation with countries in this dynamically developing region. Vietnam wants to forget the past and looks to a bright future in its relations with Southeast Asian countries. This stand won sympathy and support of the Indonesian and Thai leadership. Indonesian President Suharto said that the two countries should share experiences in national construction and defense. Thai Prime Minister Anan Panyarachun told the Vietnamese leader that the two countries should forget the past and advance to a bright future.

On his way to Singapore, Chairman Vo Van Kiet affirmed that his Singapore visit would open up a new prospect for strengthening cooperation between the two countries.

Vietnam and Singapore have sufficient conditions to improve and develop bilateral ties. Though bilateral relations were in low profile, the trade relations have been developing with trade exchanges increased from $38 million 10 years ago to $100 million this year. Singapore companies have invested in six projects in Vietnam with the total prescribed capital of $17.7 million, ranking second in ASEAN investors.

According to AFP, a Singaporean Government official said on Tuesday, 29 October, that Singapore will lift its ban on investing in Vietnam by the end of the year following last week's Cambodian peace accord. The official further said that Mr. Kiet's visit signifies that with the end of the Cambodian conflict, the process of Vietnam reintegration into Southeast Asia can begin. The Singapore Government has supported improvement of relations between ASEAN and Vietnam as well as other Indochinese countries.

There is ground to believe that the Singapore visit by the Vietnamese Government leader will turn out a new page in bilateral relations.

Hanoi Reports Do Muoi To Visit China 5-9 Nov

OW3110111991 Hanoi Voice of Vietnam in Mandarin 0830 GMT 31 Oct 91

[Text] General Secretary Do Muoi of the Communist Party of Vietnam Central Committee and Mr. Vo Van Kiet, chairman of the Council of Ministers of the Socialist Republic of Vietnam, will lead a high-ranking delegation on an official visit to the People's Republic of China from 5-9 November 1991.

The visit will be made at the invitation of Comrade Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, and Mr. Li Peng, premier of the National People's Congress of the People's Republic of China.

This was made public in the communique of the Vietnamese Foreign Ministry on Wednesday, 30 October.

Vietnamese-Chinese Restaurant Opens in Hanoi

OW2810110291 Hanoi Voice of Vietnam in Mandarin 0830 GMT 26 Oct 91

["Report: A Chinese Restaurant in Hanoi"]

[Excerpts] The Hanoi-Guangxi Restaurant was officially opened in Hanoi's Madame Nhi Trinh Street on 10 October. The name of the restaurant is written in three languages—Vietnamese, Chinese, and English. Everybody can tell immediately that it is a restaurant offering Chinese cuisine.

The restaurant is jointly operated by the Civilian Commodity Production and Services Corporation under the Ministry of Heavy Industry of Vietnam, as well as the Aidian Border Trade Company of Ningming County in China's Guangxi Zhuang Autonomous Region. This is why the restaurant is called Hanoi-Guangxi Restaurant—or Haguang Restaurant for short.

Non-governmental trade between Vietnam and China has been developing very rapidly in recent months. People of many economic units of the two countries have visited each other for study tours and business talks. Many economic and trade contracts have been signed. But the Haguang Restaurant may be the first one with a name so overt and conspicuous. Thus, the opening of the restaurant has become the focus of attention. Especially at this time, when Vietnamese-Chinese relations will soon become normalized after having been frozen for more than a decade, every little development toward this goal represents everybody's wish. [passage omitted]

The opening of the Haguang Restaurant has become another hallmark of the rapid development of Vietnam-China relations. Several months ago when Chinese friends came to Hanoi for a study tour, they dined in several restaurants and found that none offered Chinese dishes. They proposed that the two sides should cooperate in this area, saying the joint venture would benefit both sides. The Vietnamese promptly endorsed the proposal. Thanks to the hard work of both sides, the restaurant—which was built with investment from the Chinese side and land and raw materials from the Vietnamese side—became a reality in less than two months. During its opening ceremony, Ngugyen Van Hien, manager of the Civilian Commodity Production and Services Corporation under the Ministry of Heavy Industry, said: The opening of the Haguang Restaurant is a specific example of the effective cooperation between the two companies in Hanoi and Guangxi. It is also a small example of the friendship between the Vietnamese and Chinese people. [passage omitted]

Radio Notes Good Franco-Vietnamese Ties

BK3110073491 Hanoi Voice of Vietnam in English 1000 GMT 30 Oct 91

[Radio commentary]

[Text] The agreement on Franco-Vietnamese cultural, scientific, and technological cooperation signed on behalf of their respective governments by Nguyen Ngoc Chan, vice chairman of the Vietnam Committee for Science and Technology, and French Ambassador Blanchemaison for the next two years was another step in the development of friendship and intergovernmental cooperation between the two countries.

Under these documents, both sides are expected to continue cooperating in theater, film, music, fine arts, radio and television, press and publications. Regarding science and technology, the two sides will promote their existing cooperation in agriculture, public health, basic and applied research, computer science, infrastructure study, scientific and technological information, training in engineering and financial methods, economic and administrative management, and social sciences with a total of over fifty projects.

In fact, Franco-Vietnamese cooperation has been longstanding. In recent years, France has been the first Western country to forge rather comprehensive relations with Vietnam despite the U.S. embargo. France in fact has been taking the lead among Western investors in Vietnam with a total invested capital of 272 million dollars. French companies have been conducting sixteen oil and gas prospection and exploitation projects in this country. France has opened seventeen offices for investment and trade transactions here. At present, Banque Nationale de Paris is seeking to secure a permit for the setting up of its branch in Vietnam.

It is interesting to note the vigorous development of bilateral ties in culture, information, science, and technology in 1990 and 1991. With French assistance, the telephone system here has been upgraded to facilitate inter-country communications as well as Vietnam's link to the outside world.

Early this year, an important Franco-Vietnamese agreement on a joint venture on tourism was concluded. Also this year, Vietnam and France signed a minute on cooperation on legal and jurisdical matters, particularly in training and retraining of Vietnamese legal workers.

France's provision of books and other printed matters on legal issues has been regular. At the eighth meeting of the Intergovernmental Committe on Franco-Vietnamese Cultural, Scientific, and Technological Cooperation held in mid-October, the two sides confirmed the scope and scale of cooperation and took note of the efficiency of cooperation projects in these fields.

The French Government has been providing active support to Vietnam's efforts to normalize her relations with various world bodies. This finds a vivid expression in the recent informal meeting in Bangkok chaired by the French treasury chief and finance officials from more than a dozen rich countries to discuss ways of restoring aid to Vietnam. A senior French official said that his government was prepared to contribute $50 million to an international program for Vietnam.

France has also tried to arrange a commercial loan to allow Vietnam to settle its arrears with the IMF. This move is highly appreciated by Vietnam in her present difficult state of development.

Last week, French Foreign Minister Roland Dumas told his Vietnamese counterpart in Paris for the international conference on Cambodia that France was satisfied at the latest developments in relations between the two countries. Mr. Dumas said that Vietnam played a highly important role in Southeast Asia and that France was ready to cooperate with Vietnam to bring her role into full play.

Mr. Dumas and Mr. Nguyen Manh Cam held that the coming Vietnam visit of French Foreign Minister Dumas would mark a new step in the development of friendship and cooperation between the two countries.

Certainly, the visit to Vietnam by the French diplomatic chief will be beneficial to the friendship and cooperation between the two peoples and conforms to the common trend for peace, cooperation, and development.

Vo Chi Cong Receives Libyan Liaison Delegation

BK2910162191 Hanoi VNA in English 1414 GMT 29 Oct 91

[Text] Hanoi VNA Oct 29—A delegation of the General People's Committee for Foreign Liaison led by Deputy Secretary Muhammad Hosni Sha'ban left here today, concluding a four-day visit to Vietnam.

While here the Libyan delegation was received on separate occasions by State Council President Vo Chi Cong and Foreign Minister Nguyen Manh Cam. It held talks with a delegation of the Vietnamese Foreign Ministry led by Deputy Minister Nguyen Dy Nien. The two sides informed each other of their respective countries' national construction and development, and exchanged views on regional and international issues of mutual concern. They also discussed how to enhance the two countries' [word indistinct] and cooperative relations.

The Libyan guests visited the Ho Chi Minh mausoleum and a number of historical, cultural and economic establishments in Hanoi.

Do Muoi Receives Indian Petroleum Minister

BK2910041591 Hanoi VNA in English 1548 GMT 28 Oct 91

[Text] Hanoi VNA Oct. 28—Party General Secretary Do Muoi, yesterday received Indiam Minister for Petroleum and Natural Gas B. Shankaranand during his Vietnam visit from October 26-28.

Present at the reception were Tran Lum, minister of heavy industry, and Truong Thien, general director of the Vietnam Oil and Natural Gas Corporation. Indian Ambassador to Vietnam J.C. Sharma was also on hand.

Mr. Shankaranand expressed India's [words indistinct] and expand the Vietnamese-Indian cooperation in oil and natural gas prospection offshore as well inland, technical consultation, project management, designing and construction equipment supply, crude oil buying. He reaffirmed India's selfless cooperation, and he hoped that the economic cooperation between the two countries would be developed commensurate with their fine political relations.

General Secretary Do Muoi highly appreciated the Indian Government and people's help to the process of renovation of Vietnam, and their intention to expand cooperation with Vietnam in the oil and gas development. He stressed that with the existing friendship and the firm political relations between the two countries and their available potentials, the Indo-Vietnamese Inter-Government Commission on Economic and Techno-Scientific Cooperation should further push up the cooperation in the coming time.

The Indian minister had working sessions with Minisiter Tran Lum to look at possibilities to further develop the bilateral cooperation in the oil and other fields.

Do Muoi Receives Japanese Economists 28 Oct

BK2910155991 Hanoi VNA in English 1449 GMT 29 Oct 91

[Text] Hanoi VNA Oct 29—General Secretary of the Communist Party of Vietnam Do Muoi received on Oct 28 a group of researchers on Vietnam's economy from the Social and Economic Congress of Japan led by Operation Director Okita Saburo.

The Japanese researchers have been in Vietnam to discuss with Vietnamese officials how to promote the Vietnamese-Japanese economic and commercial relations.

Speaking to his guests, the party leader reaffirmed Vietnam's determination to continue with the renovation process, and expressed his hopes for an early normalization of the cooperative relations between the two countries.

Japanese Ambassador to Vietnam Hiroyuki Yoshita was present at the meeting.

Military Delegation Visits Laos 21-24 Oct

BK3010085291 Hanoi VNA in English 1518 GMT 28 Oct 91

[Text] Hanoi VNA Oct. 28—A delegation of the General Political Department of the Vietnam People's Army led by its head Lt-Gen. [Lieutenant General] Le Kha Phieu paid a working visit to Laos from October 21-24 Oct 1991.

The delegation had working sessions with its Lao counterpart led by Sr [Senior] Lt-Gen. Osakan Thammatheva, and called on Sr Lt-Gen. Choummali Saignasonn, Political Bureau member of the Lao People's Revolutionary Party Central Committee and national defence minister.

In the afternoon of October 25, the delegation was cordially received by Kaysone Phomvihan, chairman of the LPRP and president of Laos. During the reception, the Lao leader stressed the importance of the political work among the Lao and Vietnamese armies, and the necessity to increase their mutual assistance to make them strong to defeat the schemes of the imperialist and other hostile forces.

While in Laos the delegation visited a number of places in Vientiane and the province of Luang Prabang.

Hanoi Reception Marks Czech-Slovak National Day

BK3010085091 Hanoi VNA in English 1552 GMT 28 Oct 91

[Text] Hanoi VNA Oct. 28—A reception was given here this evening by Jan Gonzor, ambassador of Czech and Slovakia, and his wife, on the occasion of his country's national day today.

Present were Dang Vu Chu, minsiter of light industry, Dinh Nho Liem, first deputy foreign minister, and others.

Also present were members of the diplomatic corps and representatives of international organizations in Hanoi.

Host and guests raised toasts for the continued development and consolidation of friendship and cooperation between Vietnam and Czech-Slovakia.

Earlier, on October 25, a concert was held at the Municipal Theatre in honour of the anniversary*.

Bac Thai, Than Hoa Provinces Receive Rice Aid

BK2910161991 Hanoi VNA in English 1410 GMT 29 Oct 91

[Text] Hanoi VNA Oct 29—CIDSE (Cooperation Internationale Pour le Development et la Solidarite), an international nongovernment organization, recently provided emergency aid to Bac Thai and Thanh Hoa Provinces, which suffered a serious shortfall of rice production this year.

The grant of 177,085 U.S. dollars was co-financed by the EEC, and was used to purchase rice to aid the most needy people in the provinces.

Thanh Hoa and Bac Thai have received 553 tonnes and 308 tonnes of rice, respectively. Some 172,000 people in the two provinces have benefited by the aid.

CIDSE has worked in Vietnam since 1979.

Council Approves 'Tentative' Socioeconomic Agenda

BK3010162391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Oct 91

["Communique on Council of State's 28-29 Oct meeting"]

[Text] The Council of State met on 28 and 29 October 1991 under the chairmanship of Chairman Vo Chi Cong.

1. After examining the views contributed by various national assembly deputies, the Council of State decided to convene a meeting by early December 1991 and approved a tentative agenda, the main contents of which consist of:

—deciding on the orientations for socioeconomic development for the five-year 1991-95 period;

—evaluating the situation regarding the implementation of the 1991 socioeconomic task and deciding on the 1992 socioeconomic task;

—examining the situation regarding the handling of the 1991 state budget, deciding on the 1992 state budget, and ratifying the final balance for the 1990 state budget;

—examining a report on the anti-corruption and anti-smuggling struggle and the enforcement of the law in 1991;

—examining and reporting on our government's diplomatic activities during the second half of 1991;

—reviewing the activities of the National Assembly, the Council of State, the Council of Ministers, the Supreme People's Court, and the Supreme People's Organ of Control during the term of office of the Eighth National Assembly;

—passing the draft law on publications and the draft law on civil aviation;

—giving suggestions with regard to a plan on amendments of and supplements to the law on national assembly election.

2. The Council of State discussed and passed the law on maintenance of state secrecy after it had heard a report of the Council of Ministers and an investigative report of the National Assembly's Judicial Committee on the draft of this law.

The law on the maintenance of state secrecy covers stipulations aimed at improving the responsibility of various state organs and socioeconomic organizations as well as the obligation of all citizens in maintaining state secrecy.

3. The Council of State heard a representative of the Council of Ministers report on the situation regarding the 1991 state budget estimate and the resolution of the welfare-related difficulties encountered by workers, civil servants, military personnel, and other people covered by preferential treatment policies. It also heard the views aired by the National Assembly's Economic, Planning, and Budget Committee over these issues.

Since early this year, despite serious natural calamities and crop failures in many areas and the dwindling foreign revenue, thanks to efforts of the compatriots nationwide, production has, in general, continued to be maintained and has, in certain aspects, been stepped up.

Internal revenue has shown an increase over last year and the implementation of the state budget has attained certain results. The Council of Ministers has made progress in providing guidance for work implementation. It has been and is taking a number of measures to solve existing difficulties with the welfare of cadres, workers, civil servants, military personnel, and other people covered by preferential treatment policies. However, the budget revenue contribution level has still been low as compared with the set target. Budget collection shortfalls remain large while the bad practice of smuggling remains prevalent and grave. The management of the state finance and property remain lax and there are numerous loopholes. The lives of cadres, workers, civil servants, and military personnel continue to face numerous acute difficulties.

The Council of State urges the Council of Ministers and other responsible organs to take, between now and the end of the year, harmonious measures to continue to step up production, practice thrift, ensure the budget revenue contributions, resolutely oppose tax collection shortfalls, struggle against corruption and smuggling, and consolidate order and discipline in state administration as well as in socioeconomic management. It is necessary to closely monitor the welfare of those people who, under preferential treatment policies, are now in a most difficult situation in order to come up with timely relief measures; and to accelerate steps to gradually apply the wage project already presented to the National Assembly for consideration at its ninth session.

4. The Council of State heard a report on the outcome of the working visit of a delegation of the Council of State led by Comrade Le Quang Dao, vice chairman of the Council of State and chairman of the National Assembly, to a number of provinces in central Vietnam and the central highlands during the period 1-14 October 1991.

The Council of State praises the people and cadres of Thuan Hai, Khanh Hoa, Gia Lai, Cong Tum, and Dac Lac Provinces for their efforts to attain a number of achievements in the implementation of various resolutions of the National Assembly on the tasks regarding socioeconomic development and anti-corruption and anti-smuggling struggle. The Council of State favors the conclusive assessments of the delegation and asks the Council of Ministers and the administration in those provinces in question to study various suggestions made by the delegation in order to take steps to solve difficulties encountered by the localities concerned.

5. The Council of State heard a report on the outcome of an official friendship visit to Vietnam from 12-14 October 1991 of a high-level Lao party and state delegation led by Comrade Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party Central Committee and president of the Lao People's Democratic Republic [LPDR]. The Council of State welcomes and highly values the outcome of this visit as it has contributed to further tightening the relations of special unity and friendship and the multifaceted cooperation between Vietnam and the LPDR and has, thereby, practically contributed to building Southeast Asia into a zone of peace, stability, friendship, and cooperation.

6. As recommended by the procurator of the Supreme People's Court, the Council of State decided to appoint Comrade Nguyen Quang Thanh, also known as Nguyen Quang, president of the appellate court of the Supreme People's Court in Ho Chi Minh City as deputy procurator of the Supreme People's Court.

As recommended by the minister of justice, the Council of State decided to appoint a number of judges for military courts at the military region and regional levels.

Nationwide 'General Debt Settlement Drive' Noted

BK2910152591 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 22 Oct 91

[From the press review]

[Text] All papers carry a Council of Ministers' Office communique dated 10 October concerning the directive of the chairman of the Council of Ministers' on the need to continue carrying out the first phase of the general debt settlement drive.

The directive stresses that the third step of the first phase of the general debt settlement drive is of decisive importance because it creates the groundwork for handling the work of the second phase. Therefore, stern and resolute action must be taken against those units that have not declared their intention to settle their debts or that have deliberately resorted to evasive measures aimed at avoiding clearing their debts, thus slowing down the pace of the general debt settlement drive. A fine equivalent to one percent of the debt amount must be imposed and the fine is to be deducted from the unit's reward and welfare fund. If there is sufficient evidence of illegality, steps must be taken to bring the cases to court, no matter who the violators are or at what level the cases originate.

As for those units and localities that have done a good job, prompt measures must be taken to initiate the third step by providing them with additional capital, thus helping them consolidate their financial assets needed to boost production. Priority must be given to providing capital to those that are still active or that assume an important role in socioeconomic life.

Administrative or economic measures must be taken against those units that have obstinately refused to liquidate their longstanding debts. These measures may take such forms as the freezing of accounts, discontinuation of credit services, and so forth. These measures must be taken even if those units are still active.

Debt settlement is closely linked with the restructuring of production and business transactions in the fields of business and production branches, types of products, and localities, as well as with the rational reorganization of the economic sytem on a nationwide basis.

More on Foreign Currency Transaction Center

BK2810160591 Hanoi NHAN DAN in Vietnamese 9 Oct 91 p 1

[Article by Huu Hanh]

[Text] In order to gradually meet the needs for monetary settlement and circulation in the market-oriented economy, and taking into account the outcome of initial experiences obtained in Ho Chi Minh City, the Vietnam State Bank issued Decision No. 177/NHQG on 5 October 1991 to set up a foreign currency transaction center in Hanoi. A management board for this center has been set up and is intensively preparing the necessary conditions for the opening of the center by early next month.

After its eight buying and selling sessions, the Ho Chi Minh City foreign currency exchange transaction center, which began operations on 30 August 1991, has contributed to putting the foreign current market onto the right track. A report numbered 372/CV and dated 4 October 1991 of the State Bank revealed: "Before the opening of the foreign currency market, the exchange rate on the free market had been comparatively high. But after its first currency transaction session, the exchange rate dropped from 11,700 to 11,000 Vietnamese dong per U.S. dollar. The exchange rate has later gone down further to 10,800 Vietnamewse dong per U.S. dollar. The market exchange rate remained comparatively stable throughout September, although there were some minor fluctuations in the exchange rate within the range of 11,000 to 11,100 Vietnamese dong per U.S. dollar. At present, the exchange rate has inched up a little bit." With the organized foreign currency market coming into existence, the free market has initially been put under control now that trading partners have had a place from which they can buy, sell, and trade in large amounts of foreign currency at a reasonable exchange rate. This has created conditions for commercial banks to broaden their currency exchange business and for opening up the through-the-bank trade transactions between various economic organizations during those days when the foreign currency transaction center is closed. As a result, commercial banks now can secure remarkable amounts of foreign exchange (averaging 600,000 to 1 million U.S. dollars per day) and can meet necessary requirements for imports and for debt servicing. From 4-30 September, the five banks of Vietcombank, Incombank, Eximbank, Saigon Bank, and Ho Chi Minh City Agricultural Bank alone engaged in the buying and selling of 18,842,941 and 25,566,445 U.S. dollars respectively. Based on the exchange rate fixed by the center, export-import economic units now can correctly assess their economic results and gradually stop their practice of importing more foreign currency than permissible. The Ho Chi Minh City foreign currency transaction center has marked a new change for the better. It has attracted public attention on monitoring the developments of the relations between supply and demand and on how these relations have been handled in the social market in a way suitable to the practice of an open-door economy.

However, there have, in reality, emerged some major problems in currency transactions as seen through the center's eight "market sessions." For instance, "the market" is attractive but not thriving yet. There are fewer sellers than buyers. A prolonged and prevalent phenomenon has been that there is a much greater demand for buying foreign currency than selling it. The exchange rate fixed by the center is usually lower than what has been observed by various units in buying, selling, and tranferring of foreign currency. The fixing of the exchange rate, which is aimed at containing and then gradually bringing down the exchange rate in the social market, has led to a situation in which the demand to buy foreign currency has far exceeded its supply. Furthermore, as economic organizations have overused their foreign currency fund to import goods, they are now trying to buy foreign currency at any rate in order to pay their due debts. This has created great pressure on the center in fixing the exchange rate. The center's management board has settled this problem promptly, harmoniously, and flexibly by presenting in a comparatively accurate fashion the situation of currency supply and demand at each given time. On the other hand, to lessen the gap between supply and demand and minimize foreign currency speculation, the center's management board has carefully checked all applications for currency buying which include importing papers, commercial and credit letters as well as the financial situation of the applicants concerned; and has ensured the observance of the deadline for financial settlement of imports. In reality, as importing units usually have great demands for foreign currency, the transaction center has been unable to meet their needs and has therefore had to refer the cases to commercial banks for consideration.

The banking regulations for foreign currency management as expounded in the Council of Ministers' Decision No. 330 CT, dated 13 September 1990, still have many inappropriate points. Therefore, the act of buying, selling, and transferring foreign currency among units dealing in the same branch of goods still remains comparatively prevalent and has tended to increase. This fact requires that the banking sector promptly prepare new regulations governing foreign currency control to be presented to the government for ratification and implementation. It is necessary to put an end to the state of free buying, selling, transferring, and speculation of foreign currency and to the situation whereby an organization uses its foreign currency as a means to rig the market while refusing to participate in the center's selling and buying activities.

Vo Chi Cong Writes Politico-Military Institute

BK2910123391 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 24 Oct 91

[State Council Chairman Vo Chi Cong's letter to the Politico-Military Institute on its 40th founding anniversary—date not given]

[Text] Dear comrades: On the occasion of the 40th founding anniversary of the Politico-Military Institute, 25 October 1951-25 October 1991, on behalf of the Communist Party of Vietnam [CPV] and the state, I convey my kind regards and warmest greetings to cadres, teachers, students, combatants, workers, personnel, and former cadres, teachers, and students who used to work and study at the institute.

Over the past 40 years, under the CPV leadership, and imbued with esteemed beloved Uncle Ho's teachings, the Politico-Military Institute has trained and forged tens of thousands of political cadres for the army with better quality. It has consistently studied and conducted research on theoretical issues of Marxism-Leninism, Ho Chi Minh's thought, and issues related to the theoretical and practical aspects in building the army; in carrying out political, ideological, and party building tasks in the armed forces, and in creatively applying modern scientific education at the institute. The institute has also contributed to enhancing the strength and victories of the armed forces in the cause of liberating and reunifying the nation, building and defending the socialist Vietnamese fatherland, and fulfilling the lofty international obligation, while gradually improving its capabilities to advance toward achieving standardization and modernization.

On this occasion, I highly commend you comrades for your achievements. I also admire the sectors, localities, and countrymen throughout the country for their unity, efforts, and assistance given to the institute to help it satisfactorily fulfill all tasks entrusted by the party and army.

Dear comrades, the comprehensive renovation undertaking, the socialist construction, national defense, and protection of socialism in the current revolutionary stage as well as the building of the all-people national defense and the people's armed forces demand new requirements and better efforts from all sectors. As a center for training and forging cadres and one of the scientific research institutes of our nation, the Politico-Military Institute plays an important role in educating Marxism-Leninism and Ho Chi Minh's thought, firmly grasping the party lines and policies, promoting social science in the army, contributing to firmly maintaining and enhancing the party leadership over the army, and in strengthening the revolutionary spirit of the People's Armed Forces.

To satisfactorily fulfill its tasks, the institute must strive to firmly grasp the party education principle of combining study with action and theory with practice, maintaining the connection between the school and society and battlefields, and promoting relations among units and cadres and combatants. It should also strive to include the objectives of the Seventh CPV Congress resolution in its training programs, and consistently renovate and build the institute into a comprehensively strong one.

I urge all of you to strengthen unity and strive to triumphantly fulfill the assigned tasks so as to firmly maintain the institute's glorious tradition of steadfastness, solidarity, discipline, dynamism, and creativity, thereby overcoming all difficulties and fulfilling all tasks.

I wish you comrades great success.

My cordial and determined-to-win salutations to all.

[Signed] Vo Chi Cong, chairman of the SRV State Council

Doan Khue at Politico-Military Institute Meeting

BK3010065591 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 25 Oct 91

[Text] On 25 October 1991, the Politico-Military Institute held a solemn ceremony to commemorate its 40th anniversary. Attending the ceremony were Comrades Le Quang Dao, vice chairman of the State Council and chairman of the National Assembly; General Doan Khue, member of the Political Bureau and defense minister; and representatives of the defense ministry, military regions, army corps, armed branches and services, army institutes and schools, and mass organizations of central and local levels.

The deputy director of the institute, a major general, solemnly read State Council Chairman Vo Chi Cong's letter to cadres, teachers, students, combatants, and employees of the institute on this glorious 40th anniversary.

General Doan Khue warmly commended the institute for its achievements over the past 40 years, which have made honorable contributions to the construction and combat tasks and victories of our people's armed forces. Concerning the tasks of the present revolutionary stage, General Doan Khue stressed: The Politico-Military Institute as well as all army schools must renovate ever more vigorously all aspects of training and education and closely watch the seething situation and tasks of the revolution in our country. They must resolutely struggle to overcome all difficulties and ordeals and follow the socialist path, persisting in Marxism-Leninism and Ho Chi Minh's thought, and persevering with a belief in the absolute leadership of the party over our revolution, army, and people.

Vo Chi Cong Letter to Technology Institute

BK3110112991 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 27 Oct 91

["Text" of State Council Chairman Vo Chi Cong's Letter to Military Technology Institute on its 25th Anniversary]

[Text] Dear Comrades: On the 25th anniversary of the Military Technology Institute, 28 October 1966-91, on behalf of the party and the state, I convey my kind regards and warm wishes to all cadres, teachers, workers, students, non-commissioned officers, combatants, survivors of fallen heroes, retirees and the transferees of many generations since the establishment of the institute.

During the past 25 years, under the leadership of the Communist Party of Vietnam and the Defense Ministry, with the effective and wholehearted assistance of all sectors and echelons inside and outside the army, and under the care and protection of local people, generations of cadres and combatants of the Military Technology Institute have developed the fine traditions of the people's army to overcome many difficulties and dangers and victoriously fulfill the duties the army has assigned them.

Leaving the very poor initial bases, the Military Technology Institute has over 25 years of construction gradually matured and developed in many respects. Its contingents of cadres and teachers, hundreds of whom hold doctorates, masters and bachelor degrees, are valuable assets to our army and state.

You have trained thousands of engineers for the army, researched many valuable scientific subjects applicable to real life, contributed to building a revolutionary standard and increasingly modernized army, consolidated the all-people's national defense, built the economy, and helped fulfill noble international obligations.

On this glorious traditional day, I warmly cite the achievements of the cadres and combatants of the Military Technology Institute over the past 25 years.

Dear comrades, the comprehensive renovation of the country and building and defending socialist Vietnam are extremely heavy tasks for the Military Technology Institute. In continuing to develop your fine traditions, you will enhance your revolutionary zeal, offensive will and views on independence and self-reliance. This is to help you to progress, acquire modern science and technology and to develop the institute into an important education center for the army and state and a reliable political force of the party. You should surge forward to fulfill all tasks outstandingly in the new stage and contribute to implement the seventh party congress resolutions.

I wish you plenty of good health and even more outstanding achievements. My cordial and determined-to-win salutations to you all !

[dated] Hanoi 26 October 1991

[signed] Vo Chi Cong, chairman of the SRV State Council

Army Discusses Militia Force for Coastal Areas

BK3010091191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Oct 91

[Text] Recently in Nha Trang, the General Staff Department of the Vietnam People's Army held a meeting on militia force in the coastal areas. Delegates from 26 provinces and six coastal and island districts in the country attended the meeting.

The meeting reviewed the organization of militia forces in state, collective, and cooperative economic units and discussed measures to organize the force in private fishing businesses, form militia forces in coastal provinces, and deploy military cadres for the development of militia forces. The meeting also planned to arm the militia forces with suitable equipment to help them perform better duties in the new situation so they can firmly protect the coastal areas of the fatherland.

Nguyen Duc Binh on Party Resolutions Course

BK3010113391 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 29 Oct 91

[Text] To implement a Communist Party of Vietnam Secretariat directive on understanding seventh national party congress resolutions, the Nguyen Ai Quoc Institute and the CPV Organization Department began the first course on basic concepts of seventh national party congress resolutions this morning in Hanoi.

Attending the course were more than 230 leading comrades from 41 central organs of the CPV departments of ideology, economy, internal affairs, industry, and national defense.

Addressing the opening session, Comrade Nguyen Duc Binh, member of the CPV Political Bureau and principal of the Nguyen Ai Quoc Institute, stressed on the necessity to methodically and systematically study the resolutions' main issues.

He said the course will help strengthen and enhance knowledge about our party's line and will help eliminate misunderstanding, misleading and incorrect ideology, and enemy propaganda. He said it also represented a good example for future courses.

Further on Ho Chi Minh City Party Congress

Vo Tran Chi Addresses Delegates

BK3010054791 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 23 Oct 91

[Excerpt] Ho Chi Minh City's second-round party organization congress of delegates was solemnly opened at the city's conference hall on 22 October 1991.

Attending the congress were 492 delegates coming from 75 party organizations at various levels and a number of veteran revolutionary cadres.

Comrade Do Muoi, general secretary of the party Central Committee; and Comrade Nguyen Van Linh, adviser to the party Central Committee attended the conference. Also present were Comrade Le Phuoc Tho and Comrade Truong My Hoa.

Comrade Vo Tran Chi, member of the Political Bureau and secretary of the Ho Chi Minh City Party Committee, delivered a report in which he assessed efforts to implement the resolution of the city's fourth party organization.

The report revealed that over the past five years, the party organization and people of Ho Chi Minh City have overcome numerous difficulties and ordeals and have attained remarkable achievements. However, there still remain many problems to be solved. One of the city's achievements—and also one of its most important lessons—is that the city has been able to maintain its political stability amid a very difficult situation. The party organization and people of the city have concentrated their efforts on preventing the occurrence of complex situations and have, in this process, won the sympathy of the compatriots of various strata.

Obviously, the only way to maintain stability is to come up with a correct renovative policy line that can win the people's support. What has been achieved by the city is inseparable from the clearsighted leadership of the city party committee and the devotion and dynamism of its bureaucrats. Economically, despite its difficulties, Ho Chi Minh City has continued to stand on its own feet in regards to the maintenance of its normal industrial growth. In particular, thanks to the restructuring of the city's economy and the renovation of its economic mangement mechanism, the multisectoral commodity-based economy of the city has begun to flourish. Though still regarded as modest, the city's socioeconomic growth rate has clearly reflected the dynamism, flexibility, and the independent, sovereign, and self-reliant spirit of the party organization and people of the city. Meanwhile, ideological and cultural activities have, in combination with political work, produced a democratic spirit in society. Many mass movements have come up with policies that are in conformity with the people's interests and sentiments. Beside these achievements, there remain many problems to be solved. Most prominently, there has been a lack of knowledge in leadership and management on the part of the city over a complex market-oriented economy. The city has failed to anticipate the negative aspects arising from a commodity-based economy in order to take preventive measures. That is why many important cases of fraud and collapse [of credit organizations] have occurred, which have had a serious impact on the economy and politics. The city party committee should take responsibility for this situation becaus[illegible] has something to do with its poor leadership.

In general, the economy has developed slowly and has not been stable. The potential and the strengths of the city as an urban center have not been fully exploited. Difficulties in terms of capital, market, and product quality continue to drag on. A degradation of the infrastrucutre and the absence of a labor safety law are also obstacles to be overcomed.

The report pointed out the direction and tasks to be adopted by the city, as well as its approaches to the above problems. These approaches call for a firm maintenance of political stability, full development of the city's potential in manpower and natural resources, and the directing of efforts aimed at rectifying, stabilizing, and developing industrial and agricultural production, trade, and support service activities. They also call for the creation of capital accumulation in the economy sector, the care of the material and spiritual life of the people on the basis of steady progress toward comprehensive renovation, and the promotion of democracy. They also involve rectification of the party, the administration, and mass organization; the promotion of unity in the city; active cooperation with the people nationwide to gradually tide the country over during the current crisis; and contributions to the construction and firm defense of the socialist fatherland. [passage omitted]

Congress Closes 26 Oct

BK3010100791 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Oct 91

[Text] The Ho Chi Minh City second round fifth party organization congress concluded on 26 October after a five-day sitting. The congress noted with elation the presence of Comrade Do Muoi, general secretary of the Communist Party of Vietnam; Comrade Nguyen Van Linh, adviser to the CPV Central Committee; and many other revolutionary veterans.

The congress heard Comrade Vo Tran Chi, member of the CPV Central Committee Political Bureau and secretary of the city party committee report on views contributed by various sectors to the congress documents and other key congress issues.

It listened attentively to General Secretary Do Muoi's address commending the Ho Chi Minh City party organization and people for their great achievements in various domains in the past.

Delegates also heard 32 reports and discussed pressing social issues, the party building task, mass mobilization work, state management, national security and defense, the economic structure, and the management mechanism for the fifth city party organization to carry out tasks according to the spirit of the Seventh CPV Congress resolution.

The congress elected 51 executive committee members to the fifth city party organization, 18 of whom are new.

In his address, Comrade Nguyen Van Linh hailed the success of the city fifth party organization congress and expressed his delight at the dynamism, creativity, and maturity of cadres, party members, workers, and intellectuals of the city. With assistance from the central government and support from localities in the region and throughout the country, Ho Chi Minh City has scored initial yet very important achievements in various domains, especially the maintenance of political security, thereby leading in implementing the renovation, particularly in the economy and broadening democracy in society. Comrade Nguyen Van Linh asserted that it is necessary to maintain correct leadership in the organization and enhance the city's capability to progress. He advised, however, that in carrying out the new mission fraught with difficulties and problems, the most important thing is to face realities and to find out the causes of shortcomings, mistakes, and weaknesses so as to overcome and learn from them.

The congress unanimously adopted a general resolution on orientations and key objectives of the city fifth party organization. It also approved a letter addressed to the CPV Central Committee.

On behalf of the Presidium and Executive Committee of the city fifth party organization, Comrade Vo Tran Chi delivered the closing speech affirming the city's determination to overcome all difficulties to further progress in accordance with the renovative spirit set forth by the recent Seventh CPV Congress.

Do Muoi Helps Tay Ninh Prepare Party Congress

BK3010110991 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 26 Oct 91

[From the 26 October press review]

[Text] In its issue today, NHAN DAN frontpaged an article by Le Huyen Thong, recalling a working session held recently by Party General Secretary Do Muoi with the Tay Ninh Provincial Party Standing Committee to prepare for the fifth provincial party organization's second-round congress.

Comrade Nguyen Van Rot, acting secretary of the provincial party committee, and other comrade-standing members of the provincial party committee reported on preparations for the province's second-round party congress, the situation and results of the renovation, and the orientation and tasks for the next five years.

Over the past five years, the socioeconomic situation in Tay Ninh Province has gradually stabilized and improved. Its activities have thrived and diversified though generally the socioeconomy has not been steady. The economy has developed slowly. In certain aspects, it has declined, especially in farm production and intensive crop cultivation. Deforestation is grave due to laxity. Social justice has not been guaranteed and the administration at various levels has failed to come up with measures to ease the ever-harder living conditions of needy households, and so forth.

There are many reasons for their weaknesses. These include disunity within internal ranks, which has had a negative impact on the party organization leadership and on provincial people's committee operations.

Comrade Do Muoi questioned about the manpower preparations, party modifications, the strengthening of grass-roots party organizations; the welfare of the people of various strata; and the implementation of religious and social welfare policies in the province.

The comrade assessed: The Tay Ninh Provincial Party Committee has made great efforts to prepare for the congress both in substance and manpower. However, those plans to be presented at the congress are still too general. This is because the province has failed to demonstrate its dynamism and creativity. They have also failed to substantiate the fundamental views of the Seventh Party Congress resolutions, and to take into account its strengths and potential when dealing with problems.

Comrade Do Muoi posed a number of questions for the Tay Ninh Provincial Party Committee to discuss. One of the important objectives for the second-round party congress is to clearly affirm the political tasks of the province and its infrastructure.

Comrade Do Muoi also contributed many practical suggestions on manpower arrangement and hoped the second-round party congress of Tay Ninh Province would be able not only to work out concrete policies and measures but also to elect new party committee members. This process of continuity and inheritance must be carried out in such a way that shows the province's efforts in renovating itself and acting as a leading nucleus for translating seventh party congress resolutions into realities.

Quang Ngai Province Holds Party Congress

BK2910140391 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 23 Oct 91

[Text] The Quang Ngai provincial party organization held its 14th second-round congress of delegates from 17-20 October. Comrade Pham Van Dong, advisor to the party Central Committee, and Comrade Do Quang Thang, secretary of the party Central Committee and head of the party Central Committee Control Department, attended the congress.

The congress set forth the tasks relating to economic stabilization and development for the next five years aimed at achieving the two main targets as follows: Efforts are needed to satisfactorily gear intensive cultivation in the lowlands toward deeply-rooted development so as to produce varied types of goods of great value. Special importance must be attached to securing intensive rice and sugar cane cultivation and to making preparations for the exploitation of midland and mountain regions that still abound in virgin land.

Based on the above-mentioned orientations, the province plans to set up many trades and professions to generate jobs for the laboring people and to send more lowland compatriots to the mountainous regions to join hands with other fraternal ethnic minority compatriots in accelerating production and generating increasingly higher incomes. The province has also worked out a sea dike expansion plan aimed at exploiting the potential of sea areas.

Besides the issue of comprehensive economic development, the Quang Ngai provincial party organization congress also set forth measures aimed at satisfactorily implementing social policies, renovating and revamping the party, enhancing party organizations' leadership skills and militancy, and concentrating efforts on effectively implementing the congress' resolution, thus creating conditions for new progress.

VNA Reviews Hanoi Newspapers for 30 Oct

BK3010143391 Hanoi VNA in English 1302 GMT 30 Oct 91

[Text] Hanoi VNA October 30—Newpapers here today frontpage an illustrated report on General Secretary of the Communist Party of Vietnam Do Muoi's reception here on Oct. 28 of a group of researchers on Vietnam's economy from the social and economic congress of Japan led by Executive Director Okita Saburo, during which the party leader reaffirmed Vietnam's determination to continue with the renovation process, and expressed his hopes for an early normalization of the cooperative relations between the two countries.

The papers report that Thai Prime Minister and Madame Anan Panyarachun gave a banquet in the Government House in Bangkok on Oct 28 in honour of Chairman of the Council of Ministers and Madame Vo Van Kiet had a cordial get-together in Bangkok with representativs of many private and state-owned companies of Thailand.

A delegation of the General People's Committee for Foreign Liaison led by Deputy Secretary Mohamed Hosni Shaaban left here on Oct 29, concluding a four-day visit to Vietnam, the papers report.

Other reports say that the Central Maritime Products company under the Ministry of Maritime Products and Chang Chu Oceanic Enterprise of Taiwan have entered into a joint venture specialising in offshore fishing and processing maritime pcoducts for export, and that the Vung Tau Tourist Service Company has signed a contract on exchange of tourists with a Chinese Tourist Service Company.

The papers quote foreign sources as saying that Cambodian Prime Minister Hun Sen, member of the Supreme National Council of Cambodia, held talks with Australian Prime Minister Robert Hawke and Foreign Minister Gareth Evans on Oct 28, during his visit to Australia.

Australia

Minister Urges Wheat Growers To Be 'Reasonable'

BK3110060891 Melbourne Radio Australia in English 0500 GMT 31 Oct 91

[Text] Australia's trade minister, Neal Blewett, has urged delegations of wheat growers to be reasonable but firm when they argue against farm subsidies in the United States. Australian farmers have been hard hit by Washington's export enhancement program which has led to cheap American wheat being sold in traditional Australian markets.

Australia and other members of the Cairns Group of nations are urging the European Community and the United States to decrease their agricultural subsidies in order to successfully conclude the current Uruguay Round of World Trade talks.

Dr. Blewett says Canberra is fully supportive of any actions aimed at getting Australia's message across, though he can see it is a sensitive time in international trade talks. [Blewett recording indistinct]

Sep Deficits Doubled; Analysts 'Not Worried'

BK3110060091 Melbourne Radio Australia in English 0500 GMT 31 Oct 91

[Text] Australia's monthly current account deficit has more than doubled to U.S.$1,000 million. The seasonally adjusted figures for September show a $580 million increase on the figure for August. However, finance reporter, Katrina Baez, says analysts are not worried by the large increase in the current account deficit.

[Begin Baez recording] Analysts say that while on the surface that big jump looks alarming, it was largely due to the importation of two big aircraft and normal monthly factors. In contrast, exports continue to perform strongly despite the downturn in the wool and wheat industries.

As well today, the September building approvals are out and the news there was encouraging. Dwelling unit approvals increased by 2.7 percent; they have been steadily improving for most of the year. Meanwhile, economists say these latest figures will have little impact on the push for another cut in official interest rate. Financial markets expect the Reserve Bank Board will announce a further easing of monetary policy next week. [end recording]

Fiji

Rabuka To Head New Political Party in Elections

BK3110110591 Hong Kong AFP in English 0857 GMT 31 Oct 91

[Text] Suva, Oct 31 (AFP)—Former army commander Sitiveni Rabuka was chosen Thursday as president of the new Fijian Political Party (FPP) for next year's general election, the first since his military coup in 1987.

Party sources said Rabuka, deputy premier and home affairs minister, is now frontrunner for prime minister if the party wins the elections, expected in March. Rabuka received nine votes to six for Adi Lady Lala Mara, the incumbent president and wife of retiring Prime Minister Ratu Sir Kamisese Mara, while four votes went to Land Minister Ratu William Toganivalu.

The FPP was set up early this year by traditional Fijian chiefs after the military-backed government brought in a new constitution which guarantees ethnic Fijians a parliamentary majority. Lala urged Fijians to rally behind the party for the sake of unity. "Fijians should rally with the chiefs' party just as (ethnic) Indians have done with the National Federation Party in preparing for the coming general elections," [words indistinct] party members.

Opposition parties said the chiefs have made a "risky choice" because Rabuka "changes his mind often."

"Up until recently Rabuka has been telling different parties that he was getting out of the FPP because he didn't believe in it and the way it is structured," Fiji Labour Party organising secretary Jone Dakuvula told AFP. "How can you have a national leader or of a political party who says one thing and does another," Dakuvula said.

Rabuka, 41, has been home affairs minister and co-deputy prime minister since quitting the army after 23 years service, his last four as army commander—a post he assumed after the May 1987 coup. Three other largely Fijian-based party earlier this week decided to make a new alliance to confront the FPP in the elections.